

A similar House joint resolution (H.J. Res. 642) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the joint resolution just passed, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report to accompany H.R. 9042.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 1115)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9042) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 8, 9, 11, and 12, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with amendments, as follows: Restore the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 5 of the House engrossed bill, after line 21, insert the following:

"(e) This section shall cease to be in effect on the day after the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SPECIAL REPORTS TO CONGRESS

"SEC. 205. (a) No later than August 31, 1968, the President shall submit to the Senate and the House of Representatives a special report on the comprehensive review called for by Article IV (c) of the Agreement. In such report he shall advise the Congress of the progress made toward the achievement of the objectives of Article I of the Agreement.

"(b) Whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968, he shall report such finding to the Senate and the House of Representatives. The President shall also report whether such undertaking is additional to undertakings

agreed to in letters of undertaking submitted by such manufacturer before the date of the enactment of this Act.

"(c) The reports provided for in subsections (a) and (b) of this section shall include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and this Act."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: On page 7, line 4, of the Senate engrossed amendments, after "specifically shall include" insert the following: ", to the extent practicable,"; and the Senate agree to the same.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOMAS B. CURTIS,
JAMES UTT,

Managers on the Part of the House.

HARRY F. BYRD,
RUSSELL B. LONG,
GEORGE SMATHERS,
JOHN J. WILLIAMS,
FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9042) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Section 202(a) of the bill as passed by the House authorized the President to proclaim modifications of the Tariff Schedules required to carry out an agreement with a foreign government providing for the mutual elimination of the duties applicable to products of the United States and such foreign country which are motor vehicles and fabricated components intended for use as original equipment in the manufacture of such vehicles.

Section 202(b) authorized the President to proclaim modifications of the Tariff Schedules required to carry out a further agreement, with a foreign country having an agreement applicable to products described in section 202(a), providing for the mutual reduction or elimination of the duties applicable to automotive products other than motor vehicles and fabricated components intended for original use as original equipment in the manufacture of such vehicles.

Section 202(c) provided that, before the President enters into an agreement referred to in section 202 (a) or (b), he shall—

(1) Seek the advice of the Tariff Commission as to the probable economic effect of the reduction or elimination of duties on industries producing articles like or directly competitive with those which may be covered by such agreement;

(2) Give reasonable public notice of his intention to negotiate such agreement (which notice shall be published in the Federal Register) in order that any interested person may have an opportunity to present his views to such agency as the President shall designate, under such rules and regulations as the President may prescribe; and

(3) Seek information and advice with respect to such agreement from the Depart-

ments of Commerce, Labor, State, and the Treasury, and from such other sources as he may deem appropriate.

Section 202(d) (2) of the bill as passed by the House authorized the President to issue any proclamation referred to in section 202 (a) or (b) only after the expiration of the 60-day period following its delivery to Congress and only if, between the date of delivery and the expiration of the 60-day period, the Congress has not adopted a concurrent resolution stating in substance that the Senate and House of Representatives disapprove of the agreement.

Senate amendment No. 1 struck out section 202(d) (2) of the bill and substituted a provision authorizing the President to issue any proclamation referred to in section 202 (a) or (b) only if the Congress has adopted a concurrent resolution stating in substance that the Senate and the House of Representatives approve the implementation of the agreement.

Under the conference agreement, the House language is restored, the Senate language is omitted, and new language is inserted providing that section 202 of the bill shall cease to be in effect on the day after the date of the enactment of the bill.

In reaching agreement with respect to amendment No. 1, the managers both on the part of the House and on the part of the Senate expressed the hope that should the President, under his constitutional authority, enter into the negotiation of any agreement relating to automotive products (whether motor vehicles, parts intended for use as original equipment, or replacement parts) the President will prior thereto—

(1) Seek the advice of the Tariff Commission as to the probable economic effect of the reduction or elimination of duties on industries producing articles like or directly competitive with those which may be covered by such an agreement,

(2) Give reasonable public notice of his intention to negotiate such an agreement (and publish notice thereof in the Federal Register) in order that interested persons may have an opportunity to present their views to such agency as the President may designate for that purpose, and

(3) Seek information and advice with respect to such an agreement from the appropriate departments and agencies of the Government, and from such other sources as he may deem appropriate.

It is understood, of course, that any executive agreement that the President may enter into under his constitutional authority can, insofar as any changes in U.S. tariff treatment are concerned, be implemented only by congressional action.

Amendment No. 2. This amendment added a new section 205 to the bill to provide that, under specified circumstances, the President is to cause an investigation to be made to determine whether any manufacturer has undertaken, by reason of governmental action to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968. If, as a result of such an investigation, the President determines (after applying subsection (c) of the new section) that any manufacturer has undertaken, by reason of governmental action, to increase such Canadian value added, he is to suspend the proclamations issued by him pursuant to section 201 of this act. The amendment also provides for the termination of any such suspension.

The House recedes with an amendment. Under the conference agreement a new section 205, relating to special reports to Congress, is added to the bill.

Such section 205 provides that, no later than August 31, 1968, the President is to submit to the Congress a special report on

October 1, 1965

the comprehensive review called for by Article IV(c) of the Agreement.

The new section 205 also provides that whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1963, he shall report such finding to the Senate and the House of Representatives. The President is also to report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before the date of the enactment of this legislation.

The reports provided for in the new section 205 are to include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and the Act.

Amendments Nos. 3, 4, 5, 6, 7, 8, and 9: These amendments make technical amendments to title IV of the bill to conform tariff designations of articles entitled to duty-free entry to changes in the Tariff Schedules of the United States made by the Technical Amendments Act of 1965. The House recedes.

Amendment No. 10: Section 502 of the bill as passed both by the House and the Senate requires the President to submit to the Congress an annual report on the implementation of the bill and required the report to "include information regarding new negotiations, reductions or eliminations of duties, reciprocal concessions obtained, and other information relating to activities under the Act." Senate amendment No. 10 requires in addition that the annual report include information providing an evaluation of the Canadian Auto Agreement and the Act in relation to the total national interest and specifically to include information with respect to—

- (1) The production of motor vehicles and motor vehicle parts in the United States and Canada,
- (2) The retail prices of motor vehicles and motor vehicle parts in the United States and Canada,
- (3) Employment in the motor vehicle industry and motor vehicle parts industry in the United States and Canada, and
- (4) United States and Canadian trade in motor vehicles and motor vehicle parts, particularly trade between the United States and Canada.

The House recedes with a technical amendment. With respect to the language quoted above from the second sentence of section 502 of the bill, it should be noted that the effect of such language (insofar as it relates to section 202 of the bill) is modified by the conference action on Senate amendment No. 1.

Amendment No. 11: This amendment adds a new section 503 to the bill which provides that nothing contained in the bill shall be construed to affect or modify the provisions of the Anti-Dumping Act, 1921, or of the antitrust laws of the United States. The House recedes.

Amendment No. 12: This amendment adds a new title VI to the bill. The new title eliminates the \$10,000 ceiling on appropriations for the Joint Committee on Reduction of Nonessential Federal Expenditures. Under the amendment there are authorized to be appropriated such sums as may be necessary to carry out the purposes for which the

joint committee was created. The House recedes.

W. D. MILLS,
CECIL R. KIDG,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOMAS B. CURTIS,
JAMES UTT,

Managers on the Part of the House.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until midnight tonight to file a report on S. 2118.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PERSONAL EXPLANATION

Mr. WILLIS. Mr. Speaker, on rollcall No. 342 which was a motion to recommit H.R. 10281, and on rollcall No. 343, which was a motion on final passage of the same bill, I was unavoidably detained in committee.

I would like to announce that had I been present I would have voted "aye" on both votes.

FOREIGN ASSISTANCE APPROPRIATIONS FOR 1966

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 10871) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. SHRIVER. Mr. Speaker, reserving the right to object, I do so for the reason of notifying the Members that it is our intention at the proper time to make a motion to recommit the conference report back to the conference committee.

Mr. Speaker, Members will probably remember that we had in the bill as the appropriation bill on foreign aid passed this body a short time ago, very strong language relative to shipping to North Vietnam. This language has been changed by the conference committee in connection with the language that the House put in the bill as it passed this body known as the "Romey of New York amendment."

It is our intention at the proper time to offer a motion to recommit based upon this change.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 29, 1965.)

The SPEAKER pro tempore (Mr. Boggs). The gentleman from Louisiana (Mr. PASSMAN) is recognized for 1 hour.

Mr. PASSMAN. Mr. Speaker, I hope the House will approve the conference report and I hope we can say something during our deliberations that will convince the Members that it is in the best interest of our country at this time that this conference report not be recommitment.

Mr. Speaker, I ask unanimous consent to include in my remarks a table comprising the conference bill with the estimates and other related matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PASSMAN. Mr. Speaker, I want to assure you and my very able, sincere, and devoted chairman of the Committee on Appropriations, and each one of his subcommittee chairmen, that when any bureaucrat from downtown comes to me with regard to a matter pertaining to legislation under the jurisdiction of the chairman of another subcommittee, I shall in the future, as I have in the past, ask him: "Have you discussed the matter with the chairman of the subcommittee that handles the legislation?"

May I say that arrogance knows no bounds, and if some of the bureaucrats in the AID—I am being charitable—intentionally ignore the chairman of a subcommittee handling legislation, they may eventually extend the same treatment to the chairman of the full committee, and maybe go up through the ranks to the top.

When I brought the foreign assistance appropriation bill to the floor of the House a few weeks ago, I stated that even though it was one of the fattest—if not the fattest—foreign aid bill ever presented to the Congress, when all segments from the 15 bills are put together, if I were to have the privilege of handling the bill, I would be honorbound to assume the responsibility of defending it. I meant what I said—and I said what I meant.

I shall not use any more time than necessary, but honor demands that I make restitution when it is proper so to do. So, let me correct the record on two important points:

The very able and distinguished gentleman from Michigan, the Honorable CHARLES E. CHAMBERLAIN, came to me several days before the foreign aid ap-

propriations bill came to the floor of the House for consideration and stated that he had worked out an important amendment which he intended to offer, with respect to our allies shipping strategic materials to North Vietnam. I commended him for his wisdom and patriotism in putting together such a clarifying and positive amendment.

Subsequently, another distinguished Member of this body, the gentleman from New York [Mr. ROONEY], offered a similar amendment, which was adopted. Equal commendations are due both of these gentlemen, and honor prompts me to acknowledge on this floor the discussion I had with the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. Speaker, I believe that my record of handling the foreign aid appropriation bill for many years would indicate that I know something about the legislation. Even though my personal views certainly differ from those of many of my colleagues, it has been my practice to lean over backward to be fair. Doubtless our distinguished Speaker is familiar with the fact that I will usually deliver more than I promise.

When we were discussing the foreign aid appropriation bill several weeks ago, I inadvertently made a statement that certainly needs an explanation, and there is no better time to correct the record than now. So may I set the record straight:

The distinguished, able, and dedicated Member from Kansas, the minority chairman of the Foreign Operations Subcommittee on Appropriations, the Honorable GARNER E. SHRIVER, stated to me in advance of the markup of the bill that he would offer an amendment to reduce the bill substantially. But, the parliamentary procedure that we followed in marking up the bill just about skunked the chairman as well as the distinguished Member from Kansas. And, a majority of the members of the subcommittee reported the bill to the full committee, and it was later passed by the House as marked up by the subcommittee.

In the intervening time between the markup of the bill and action by the full committee, I called the distinguished Member from Kansas and asked him, as a very special favor to me, not to offer any amendments in the full committee to further reduce the recommendations made by the subcommittee.

Suffice it to say, he did not offer any amendments, but I later learned that the amendments he had in mind were subsequently offered by the distinguished gentleman from Ohio [Mr. BOW] in his motion to recommit the bill. In opposing the amendments offered by the gentleman from Ohio [Mr. BOW], I stated that I had never heard his recommended figure before. That statement was true, but it was simply because of the fact that the gentleman from Kansas, who is charitable, Christian, and understanding, did not offer the amendment in the full

committee. And, I must say, in my opinion, it was because I asked him not to.

With my apologies properly recorded, may I explain briefly the conference report?

Mr. Speaker, I have never believed in shadow-boxing. To indicate or imply in any way that under the provisions of the conference report before you that certain items in the bill meet the full administration request, while others have been reduced, would be untrue. Because the administration will be handed only an appropriation bill and they can vacate all projects in a country and substitute a new set for a new country, as this program is completely on an illustrative basis.

In most accounts, they can transfer in and out to offset any reduction that we have made in other accounts. If you claim that supporting assistance is funded in fully—language-wise, yes—legally-wise, no. They can transfer out of the account into other accounts, and around we go.

May I also say that my efforts in behalf of the American taxpayer have always been to reduce the overall money request rather than just certain items because of the fact that the program justifications are submitted on an illustrative basis.

By the same token, I have, almost without exception, steered clear of policy-writing amendments to the foreign operations subcommittee appropriation bill because of the obvious fact that the members of the Committee on Appropriations are not in possession of all the pertinent information possessed by the executive branch.

Mr. Speaker, most conferences, especially in the closing days of a long, hard session, must, of necessity, it would appear, be rush-up, rush-on types of conferences. Many times Members are not given an opportunity to study in detail modifications suggested by the executive branch.

On yesterday, in considering the modification of the amendment adopted unanimously by this body dealing with our allies shipping to North Vietnam, and subsequently changed by the other body, and later modified in the conference at executive branch request, the modified language went to another member of the subcommittee, and not to the chairman. However, in conference I reserved and did not vote for the modified, recommended executive branch amendment. Since then, I have had an opportunity to study in detail the modified language recommended by the executive branch to the conference and explained by another subcommittee member, not by myself, and I now find that for reasons we cannot discuss in detail on the floor without violating what is termed "secret" information, I hope the House will adopt the conference report. Keep in mind that we are dealing with a policy matter and, by precedent, a matter prop-

erly under the jurisdiction of the President.

Suffice to say, had the executive branch not waited until the last minute to suggest needed policy language changes between the versions of the two branches of the Congress, we would not be in this dilemma now. I promised them that I would give complete consideration to the recommendations of the executive branch.

But I was only contacted one time, and I never received a copy of their recommendation at that time. This is no indictment of the other able members of this committee.

I should mention that this is a much better bill than most Members would expect. The other branch of the Congress reduced the bill \$142 million.

The conference bill is almost a split between the two bills. It is \$67 million below the House bill and \$75 million above the Senate bill. It is the best compromise we could get.

I believe the House would like to be reminded again of the House limitation against section 205 of the authorization bill, which would have permitted the executive branch to transfer funds out of the development credits appropriation, sometimes referred to as loans by the executive branch, into the International Development Association and other multilateral agencies. We have crossed that bridge before. This time, as in previous years, if I recall correctly, the committee—with one or two exceptions, I had better add—demanded that the language which would permit a transfer of not to exceed 15 percent of the development loan appropriation into the International Development Association be stricken from the bill. The other body agreed with our position.

I believe this is a good conference report so far as good conference reports go on the foreign aid appropriation bill, and I hope that in this instance, concerning our disagreement over North Vietnam, we will yield to the judgment of the Executive, because we are dealing with a policy matter. I am assured by the Executive that in the future each member of the conference committee will receive a copy of any recommended modifications. They have also assured me that it was not by design or purpose that a copy of their proposed language did not come to us long enough in advance so that we could study it in detail.

I want to say, at the expense of being repetitious, that there are good and sufficient reasons why this bill should not be recommitted. We are dealing with some matters that are "top secret" and we cannot reveal them on this floor, so I hope Members will follow the recommendations of a majority of the members of the conference and not recommit the bill.

The following data relate to the conference bill and other pertinent data relating to the foreign aid bill:

Foreign assistance and related agencies appropriation bill, 1966

TITLE I—FOREIGN ASSISTANCE

| Item | 1965 appropriations | 1966 budget estimates | Passed House | Passed Senate | Conference action | Conference action compared with— | | | |
|----------------------------------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------------------|-----------------------|--------------------|--------------------|
| | | | | | | 1965 appropriation | 1966 budget estimates | House | Senate |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | | | | | |
| MUTUAL DEFENSE AND DEVELOPMENT | | | | | | | | | |
| ECONOMIC ASSISTANCE | | | | | | | | | |
| Technical cooperation and development grants | \$202,071,000 | \$219,000,000 | \$202,355,000 | \$182,355,000 | \$202,355,000 | +\$254,000 | -\$16,645,000 | | +\$20,000,000 |
| American schools and hospitals abroad | 16,800,000 | 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 | -9,800,000 | | | |
| Surveys of investment opportunities | 1,600,000 | | | | | -1,600,000 | | | |
| International organizations and programs | 134,272,400 | 145,555,000 | 144,755,000 | 134,755,000 | 144,755,000 | +10,482,600 | -800,000 | | +10,000,000 |
| Supporting assistance | 401,000,000 | 449,200,000 | 399,200,000 | 349,200,000 | 389,200,000 | -31,800,000 | -80,000,000 | | +20,000,000 |
| Contingency fund, general | 99,200,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | -49,200,000 | | | |
| Contingency fund, southeast Asia | | | 89,000,000 | 89,000,000 | 89,000,000 | +89,000,000 | +89,000,000 | | |
| Alliance for Progress: | | | | | | | | | |
| Technical cooperation and development grants | 84,700,000 | 85,000,000 | 75,000,000 | 75,000,000 | 75,000,000 | -9,700,000 | -10,000,000 | | |
| Development loans | 425,000,000 | 405,125,000 | 445,125,000 | 435,125,000 | 435,125,000 | +10,125,000 | -60,000,000 | -\$10,000,000 | |
| Development loans | 773,727,600 | 780,260,000 | 675,225,000 | 593,225,000 | 618,225,000 | -155,502,600 | -162,025,000 | -67,000,000 | +25,000,000 |
| Administrative expenses, AID | 53,600,000 | 55,240,000 | 54,240,000 | 54,240,000 | 54,240,000 | +640,000 | -1,000,000 | | |
| Administrative expenses, State | 3,029,000 | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 | +71,000 | | | |
| Subtotal, economic assistance | 2,105,000,000 | 2,299,470,000 | 2,115,000,000 | 1,973,000,000 | 2,048,000,000 | -147,000,000 | -241,470,000 | -67,000,000 | +75,000,000 |
| MILITARY ASSISTANCE | | | | | | | | | |
| Military assistance | 1,055,000,000 | 1,170,000,000 | 1,170,000,000 | 1,170,000,000 | 1,170,000,000 | +115,000,000 | | | |
| Limitation on administrative expenses | (\$4,000,000) | (\$3,500,000) | (\$3,500,000) | (\$3,500,000) | (\$3,500,000) | (-500,000) | | | |
| Total, title I, foreign assistance | 3,260,000,000 | 3,459,470,000 | 3,285,000,000 | 3,143,000,000 | 3,218,000,000 | -32,000,000 | -241,470,000 | -67,000,000 | +75,000,000 |

TITLE II—FOREIGN ASSISTANCE (OTHER)

| | | | | | | | | | |
|-----------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|--|
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | | | | | |
| Peace Corps | \$87,100,000 | \$115,000,000 | \$102,000,000 | \$102,000,000 | \$102,000,000 | +\$14,900,000 | -\$13,000,000 | | |
| Limitation on administrative expenses | (\$2,708,000) | (\$4,100,000) | (\$4,100,000) | (\$4,100,000) | (\$4,100,000) | (+1,392,000) | | | |
| DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS | | | | | | | | | |
| Ryukyu Islands, Army, administration | 14,441,000 | 14,733,000 | 14,733,000 | 14,733,000 | 14,733,000 | +292,000 | | | |
| DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE | | | | | | | | | |
| Assistance to refugees in the United States | 32,211,000 | 32,265,000 | 32,265,000 | 30,000,000 | 30,000,000 | -2,211,000 | -2,265,000 | -\$2,265,000 | |
| DEPARTMENT OF STATE | | | | | | | | | |
| Migration and refugee assistance | 8,200,000 | 7,575,000 | 7,575,000 | 7,575,000 | 7,575,000 | -625,000 | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | | | | | |
| Investment in Inter-American Development Bank | 455,880,000 | 455,880,000 | 455,880,000 | 455,880,000 | 455,880,000 | | | | |
| Subscription to the International Development Association | 61,656,000 | 104,000,000 | 104,000,000 | 104,000,000 | 104,000,000 | +42,344,000 | | | |
| Total, title II, foreign assistance (other) | 659,488,000 | 729,453,000 | 716,453,000 | 714,188,000 | 714,188,000 | +54,700,000 | -18,265,000 | -2,265,000 | |

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

| | | | | | | | | | |
|---------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|-----------------------|----------------------|----------------------|
| Limitation on operating expenses | (\$1,580,000,000) | (\$1,186,180,000) | (\$1,186,180,000) | (\$1,186,180,000) | (\$1,186,180,000) | (-163,820,000) | | | |
| Limitation on administrative expenses | (\$,915,000) | (\$,058,000) | (\$,058,000) | (\$,058,000) | (\$,058,000) | (+157,000) | | | |
| Total, title III, Export-Import Bank | (1,585,915,000) | (1,190,178,000) | (1,190,178,000) | (1,190,178,000) | (1,190,178,000) | (-163,803,000) | | | |
| Grand total, all titles | 3,909,488,000 | 4,188,923,000 | 4,001,453,000 | 3,857,188,000 | 3,932,188,000 | +22,700,000 | -\$256,735,000 | -\$99,265,000 | +\$75,000,000 |

Total mutual security program regular annual appropriations—Economic and military assistance, 10 years

| Fiscal year | Budget estimate | Appropriation | Reduction below estimate | Percentage below budget estimate |
|-------------|-----------------|-----------------|--------------------------|----------------------------------|
| 1956 | \$3,266,641,750 | \$2,703,341,750 | —\$563,300,000 | 17.24 |
| 1957 | 4,859,975,000 | 3,766,570,000 | —1,093,405,000 | 22.50 |
| 1958 | 3,386,860,000 | 2,768,760,000 | —618,100,000 | 18.25 |
| 1959 | 3,950,092,500 | 3,298,092,500 | —652,000,000 | 16.51 |
| 1960 | 4,429,995,000 | 3,225,813,000 | —1,204,182,000 | 27.18 |
| 1961 | 4,275,000,000 | 3,716,350,000 | —558,650,000 | 13.07 |
| 1962 | 4,775,500,000 | 3,914,600,000 | —860,900,000 | 18.03 |
| 1963 | 4,961,300,000 | 3,928,900,000 | —1,032,400,000 | 20.81 |
| 1964 | 4,525,325,000 | 3,000,000,000 | —1,525,325,000 | 33.70 |
| 1965 | 3,516,700,000 | 3,250,000,000 | —266,700,000 | 7.58 |
| Total | 41,947,389,250 | 33,572,427,250 | —8,374,962,000 | 19.96 |

Foreign Assistance Act unobligated funds, title I, New Foreign Aid Funds Requested So Far in 1965—July 1, 1965

| As of: | Amount | |
|--------------------------------------------|---------------|--|
| June 30, 1955 | \$250,900,000 | |
| June 30, 1956 | 401,400,000 | |
| June 30, 1957 | 814,400,000 | |
| June 30, 1958 | 88,400,000 | |
| June 30, 1959 | 94,400,000 | |
| June 30, 1960 | 127,000,000 | |
| June 30, 1961 | 758,000,000 | |
| June 30, 1962 | 163,400,000 | |
| June 30, 1963 | 419,100,000 | |
| June 30, 1964 | 59,600,000 | |
| June 30, 1965 | 158,400,000 | |
| Total amount unobligated funds, 11 years | 3,335,000,000 | |
| Average annual unobligated funds, 11 years | 303,181,818 | |

| | [In thousands] |
|--------------------------------------------------------------|----------------|
| 1. Foreign assistance requests, as amended (mutual security) | \$3,459,470 |
| 2. Receipts and recoveries from previous credits | 209,770 |
| 3. Military Assistance Advisory Group | 76,000 |
| 4. Export-Import Bank (long-term credits) | 900,000 |
| 5. Public Law 480 (agricultural commodities) | 1,658,000 |
| 6. Inter-American Development Bank (Latin America) | 705,880 |
| 7. International Development Association (IDA) | 104,000 |
| 8. Peace Corps | 115,000 |
| 9. Contributions to international organizations | 96,953 |
| 10. Permanent construction overseas (military) | 85,986 |
| 11. Educational (foreign and other students) | 69,200 |
| 12. Ryukyu Islands | 14,733 |
| 13. Migrants and refugees | 7,575 |
| 14. Atomic Energy Commission (overseas) | 5,900 |
| 15. Inter-American Highway (Latin America) | 4,000 |
| Total new foreign aid requests, first 6 months of 1965 | 7,512,467 |

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 1, 1965.

To Whom It May Concern:

A great American one said: "It is true that you may fool all of the people some of the time; you can even fool some of the people all of the time; but you can't fool all of the people all of the time." This statement was made before America started the foreign giveaway program.

Requests for new foreign aid funds so far this year amount to \$7,512,467,000. I am attaching, hereto, a list showing the 15 separate requests for foreign aid funds. Only the first item on the attached list is ever mentioned publicly as being foreign aid. The other 14 items are just as much foreign aid as your hand is a part of your body.

On June 30, 1965, unliquidated funds from prior years' authority to the credit of these 15 items amounted to \$10,605,738,000. If the Congress approves the full additional \$7,512,467,000 that the administration has requested in new funds this year, then there will be a staggering total available for disbursement in the amount of \$18,118,205,000.

The \$7,512,467,000 requested in new funds this year does not include an appropriation of \$1,035 million tacked on to a recent appropriation bill for the International Monetary Fund so that it would apply to the fiscal year which ended on June 30, 1965, rather than to the new fiscal year. Neither does it include the \$4 billion annual interest we are paying on the money we have previously borrowed to give away.

How any administration could dissipate America's wealth on foreign aid as we are doing is beyond the realm of sane, human understanding. I hope that the circulation of the startling information contained in this letter will be broad enough to cause the American people to demand an explanation as to why only one of the 15 requests is ever mentioned publicly as foreign aid.

Sincerely yours,

OTTO E. PASSMAN,
Chairman, Foreign Operations Subcommittee on Appropriations.

Enclosure.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks and to include extraneous matter and tables.)

Mr. PASSMAN. Mr. Speaker, I yield 12 minutes to the distinguished gentleman from Kansas [Mr. SHRIVER].

Mr. SHRIVER. Mr. Speaker, I thank the chairman for yielding that period of time. In turn, I shall shortly yield to the gentleman from Michigan, who presented such a forceful argument on the floor of the House at the time the Foreign Aid Appropriation bill was before us a few weeks ago.

That bill is behind us. The only issue we are in disagreement, between the two bodies, is the issue on the use of our aid funds for countries which continue to trade with North Vietnam.

Every day we read of American casualties which have occurred in southeast Asia. Just this morning I read a long list of our American boys who lost their lives in this war in which we are involved—a war in which our American boys are helping the South Vietnamese to halt the advance of communism.

One constitutional power still possessed by this House is that of appropriating funds collected from the taxpayers of the Nation. Those we represent I am sure do not approve of the use of tax dollars to support the enemy. Each of us knows this very well. When this Congress loses its power over the purse, then we, as a legislative body, are through. We have betrayed our Founding Fathers who gave us the Constitution and the framework for the greatest form of government and the greatest country in the world. The House strongly supported the Rooney amendment. The gentleman from Michigan [Mr. CHAMBERLAIN] discussed it at length a few weeks ago when we had this bill up before us, so I am going at this time to yield 8 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

(Mr. CHAMBERLAIN asked and was given permission to revise and extend his remarks.)

Mr. CHAMBERLAIN. Mr. Speaker, I would first like to thank my colleague for yielding to me. As has been said here, I have been long disturbed about the volume of free world trade with North Vietnam. I want to take just a moment to outline to my colleagues why I am disturbed about it and the extent of this shipping. Last year, 1964, there were 401 ships from free world nations which carried cargoes to North Vietnam. So far to date there are 88 ships this year that have gone to North Vietnam with cargoes to help keep this war going. Now, these are figures that are from published commercial sources. If any of my colleagues are interested in the classified figures and are not disturbed that 88 ships went to North Vietnam, then come and look at this piece of paper here which is classified secret and you can see how many ships of the free world flags have carried their cargoes to North Vietnam.

I hope my colleagues will listen to what I have to say, because this is something that the American people should know and something they have not been told.

Of all the ships going to North Vietnam, more free world ships are going there than all of the Communist bloc ships combined. Think of that. More free world ships than Communist ships are going to North Vietnam. The conference report we had here the other day said 45 percent of all the imports to North Vietnam were on free world ships and 85 percent of their exports were on free world vessels.

Now just a big about the background of the situation that we find ourselves in. We in this House put a prohibition in the authorization bill against aid to any country permitting its ships to trade with North Vietnam. In their wisdom the other body deleted this amendment. Then came the appropriation bill the other day. In section 107 (a) and (b) wherein we very properly said that no aid shall be given to any country that permits its ships to carry goods to Cuba, in those two sections we inserted a simple amendments, sponsored by the gentleman from New York [Mr. ROONEY], and if he had not done so I had announced my intention to do so, which had only

four little words, no aid to Cuba "or to Vietnam." That was the amendment. My colleagues of the House, that amendment was accepted in this very Chamber just a few days ago without a single word of dissent. No one said no. A voice was not raised against it. The other body deleted this amendment and said in essence it is the "sense of Congress" that we should not give any aid to any country that does not try to stop shipping to North Vietnam. The conferees are now substituting other language.

The language on aid to Vietnam has been accepted, so far as economic assistance is concerned, but when it comes to strategic assistance to North Vietnam we are saying that we shall treat less harshly North Vietnam shipping than we do shipping to Cuba. The issue is very simple. Are we going to stand fast on this one amendment with respect to Vietnam, similar to the Cuban situation? What we are asking is that when it comes to shipping to the enemy we give the same identical treatment to North Vietnam as we are giving to Cuba. Why should we create a double standard here? This would give the President authority to aid countries that are in fact giving military aid to North Vietnam if he finds it in the national interest.

Why he would want this is beyond me. I cannot conceive a possible situation where free world ships would be carrying military assistance, strategic assistance to North Vietnam and have the President say that it is in our national interest to give that country aid. I cannot conceive of it, but still that is the situation we are faced with. This makes Congress look ridiculous.

Why should we be so timid? It is time we got tough and let the world know that we are serious about Vietnam, that we are going to do everything we can to see that this alarming volume of shipping to North Vietnam is stopped.

I would like to go further than we are going today. I would like to close the ports of this country to every one of these ships that sail to North Vietnam many of which, after going there, have called at our own U.S. ports. This is another urgent matter that we should consider.

Mr. Speaker, I repeat, to accept this conference report would create a double standard. We have a flat prohibition against aid to any country trading with Cuba. But we are going to say here that we intend something less than a flat prohibition against aid to countries that are sending ships to North Vietnam.

Are we not as concerned about trade with North Vietnam as we are with trade with Cuba? The President has told us that this is real war. I tell you that it is real war. I have been there; I know. If we had a declaration of war today, can you imagine the President sending aid to those who are shipping goods to our enemy? In the last war, would we have aided those trading with Japan or Germany? How ridiculous can this situation get? We now have some 130,000 troops in Vietnam. They are pouring over there so fast that you cannot keep track of the total number. Our boys are in contact with the enemy in the air, on land, and on the sea. Every day our

casualties are growing. Our forces are doing what they can do to stop the enemy. We are trying to interdict the supply lines. Our planes are flying to cut them off. Just today two Air Force pilots were shot down trying to take out a bridge. Our ships are trying to stop supplies to the enemy by sea.

I say that we should make certain that none of our tax money goes to help those who are helping to supply the enemy.

Mr. Speaker, I have not had the time I would like to discuss this matter, but the issue is very simple. Are we going to have a dual standard as far as limiting aid to countries trading with Cuba and Vietnam?

The language we are using is identical to the prohibition in the Cuba section. It simply says that we shall do the same thing with reference to Vietnam as we have done to Cuba.

This amendment was accepted without a dissenting voice in the House just a few days ago. We cannot create a double standard. The American people will never understand why we have taken action here that would make it possible to give foreign aid money under any circumstances to countries that permit their ships to aid North Vietnam. I respectfully urge that we insist upon the House amendment.

The SPEAKER pro tempore (Mr. Boggs). The Chair will advise the gentleman from Kansas (Mr. SHRIVER) that he has 2 minutes remaining.

Mr. PASSMAN. Mr. Speaker, I desire to yield to the distinguished gentleman 5 additional minutes.

The SPEAKER pro tempore. The gentleman from Kansas is recognized for 5 additional minutes.

Mr. SHRIVER. Mr. Speaker, I would prefer that the gentleman from Louisiana on the other side yield some time at this time.

Mr. PASSMAN. Mr. Speaker, I yield 8 minutes to the distinguished gentleman from New York (Mr. ROONEY).

(Mr. ROONEY of New York asked and was given permission to revise and extend his remarks.)

Mr. ROONEY of New York. Mr. Speaker, I strenuously urge the adoption of this conference report and request that it not be recommitted.

Mr. Speaker, this is an appropriations bill carrying over \$3 billion. This bill must be acted upon today so that the other body may act upon it expeditiously and that it does not get hung up with the proceedings in the other body which begin on Monday next with regard to repeal of section 14(b) of the Taft-Hartley Act.

Mr. Speaker, I feel that we have a good conference report pending before this body. It represents practically an even split between the House figures and the figures of the other body with regard to the amount of money appropriated.

Apparently, the only real controversy is over the amendment that I offered at the time this bill was under consideration here in the House. It was then that I proposed that we add the words "or to North Vietnam" to section 107(a) of the bill, as well as to section 107(b) of the bill. My amendment prevailed.

When this bill went to the other body, the other body diluted my amendment.

Now, Mr. Speaker, the House conferees did succeed in having the other body recede on amendment No. 8, which was my amendment added to section 107(b), and in return, the House conferees receded from amendment No. 7, which was my amendment to 107(a), and in addition to that both sides added tightening language which is now known as section 116 of the bill. So today this language before the House is stronger than the language agreed to by the House in this year's authorization bill and it is far stronger than the provision contained in the Senate appropriations bill. It strengthens the President's hands but it does not tie them.

The only difference between the conference provision and the amendment originally adopted by the House is that the conference provision permits the President to provide assistance to a country if he determines that it would be contrary to the national interest not to provide aid. He must report every such determination to the Congress.

Mr. Speaker, it is folly to prevent the President from taking action necessary to protect our national interests. He has the facts and he has the responsibility to deal with situations and crises around the world, in Western Europe and in Greece, as well as Vietnam.

The conference provision pending before the House permits the President to exercise his responsibility to take action on the basis of the facts he has at the time of the crisis.

Mr. Speaker, the proposed recommittal motion would make it impossible to provide any military aid in this bill planned for strengthening our NATO ally, Greece.

Mr. Speaker, Greek ships are in the North Vietnam trade, and to get them out of that trade will require a decree by the Greek Government. That Government has only a two-vote margin in its Parliament. As we all know, it has suffered a prolonged Government crisis. I regret to have to say that the Greeks are simply unable at this time to take the steps necessary to end all shipping to North Vietnam.

Adoption of a recommittal motion would make mandatory a cutoff of military aid to Greece thus crippling her defense against the Communist forces on her borders, and ending her strong participation in NATO.

I submit that a vote to recommit this conference report is a vote against our Greek allies and a direct blow against the strength of NATO.

United States policy is already effective in reducing free world shipping to North Vietnam. In July and August of this year, approximately 33 free world ships called at North Vietnam ports.

In the same period last year 64 ships called at North Vietnam ports, so that in 1 year such shipping was cut almost in half.

Three of the four countries which would be affected by the Rooney amendment are taking action to cooperate with the United States on this problem. Japan has already got its ships out of the trade. The one exception is Greece

which, as I have indicated, is unable to cooperate at the present time.

Now, Mr. Speaker, I would like to give some facts with regard to free world shipping in connection with North Vietnam and once again I point out that the other body has wholly receded on amendment No. 8, which concerns economic aid to countries which were dealing in economic aid with North Vietnam. As to this part of the so-called Rooney amendment, we had a complete surrender on the part of the other body. This pending conference report should be an attractive proposition to anyone who has to sit at a table to bargain with the other body at a conference. It is a good conference report that we are submitting to the House for approval today.

As the result of U.S. efforts and the fact that North Vietnam is a zone of hostilities, free world shipping to North Vietnam has declined substantially. In July and August of 1965, approximately 33 free world ships, many of them in ballast, called at North Vietnam ports. During the same months in 1964, 64 free world ships were in the North Vietnam trade.

With one exception, aid-recipient countries are actively cooperating with the United States. In the past 6 months, about 35 ships from aid-recipient countries—Greece, Norway, Liberia, and Cyprus called at North Vietnam ports and some of these ships were under long-term charter to Communist countries.

A total of 38 Japanese ships called at North Vietnam ports in January, February, and March, but since then no Japanese ships have been in the trade.

Greek ships accounted for about half of the approximately 35 ships under the registry of aid-recipient countries. Because of a prolonged governmental crisis, as I previously indicated, Greece was unable at that time to take the action necessary to control its ships in the North Vietnam trade.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROONEY of New York. I yield to the distinguished gentleman from Iowa [Mr. GROSS].

Mr. GROSS. The gentleman indicates that if this conference report is recommitted, the other body will hang it on the hook or otherwise refuse to deal with it. Does the gentleman mean to say the other body wants to explain, if the House approves recommitment, to the men who are being shot to pieces over in Vietnam, that shipping from foreign countries, by our so-called friends, is the means by which they are being killed and maimed?

Mr. ROONEY of New York. Does the gentleman from Iowa understand that Members of the other body who were managers on the part of the Senate in this conference insisted upon their language—and the gentleman from Kansas will bear me out on this because I brought it up a number of times during the course of the conference—and insisted on their position. We came out of the conference with the best that we could get insofar as compromise was concerned.

To repeat, I had two amendments, one to section 107(a) and one to section

107(b). The Senate receded completely on the amendment to 107(b); the House conferees receded on 107(a) with the following additional language, which I think I should read to the House at this point:

Sec. 116. No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes, or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this act unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress.

I respectfully submit that I have never seen a conference report on an appropriations bill come back to this House that was any clearer or more succinct than the conference report now pending before the House.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PASSMAN. Mr. Speaker, I yield 3 additional minutes to the gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, I yield to the gentleman from Louisiana such time as he may require.

Mr. PASSMAN. I do not believe that we should imply that the President would intentionally do anything which would cause the loss of one single American life in South Vietnam. I certainly cannot be called a Great Society enthusiast. But I do not believe that we should have the record indicating that the President of the United States would do anything which would cause the loss of a single life in South Vietnam.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. ROONEY of New York. I should like to ask the gentleman at this point if it is not the fact that each and every Member of the conference representing the other body submitted the same sort of statement at the conference table: that he did not want any American boy killed with ammunition brought into South Vietnam on such ships?

Mr. PASSMAN. That is true. I would like to take a minute now and summarize briefly. The language contained in this conference report is stronger than the language contained in the foreign assistance authorization bill for 1965 that this body passed not too long ago. I do not recall any Member offering an amendment at that time to recommit that bill to insist on stronger language.

Even though we had to compromise the House language in this bill I reserved on the amendment agreed to so I could study the effect of it in more detail, and I feel I am better posted now.

Let me repeat that this conference report contains stronger language than what was contained in the authorization legislation. It also contains stronger language than what was contained in the Senate bill. It is not as strong as could be but all legislation is a result of compromise. I repeat that this is

the Appropriations Committee and not the policy writing committee, and I defer to the President because I know he is trying to solve these problems.

Mr. CHAMBERLAIN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. CHAMBERLAIN. Is the language in this bill as strong as it is with respect to the prohibition of shipping to Cuba?

Mr. PASSMAN. Certainly it is not as strong.

Mr. CHAMBERLAIN. I thank the gentleman.

Mr. PASSMAN. It is not the language I would desire. I am not the President and I do not have to deal with these eternal world problems and every assistance we can render him makes his job that much easier.

Mr. SHRIVER. Mr. Speaker, I believe I have 7 minutes remaining.

I yield to the distinguished gentleman from Ohio [Mr. Bow] for 5 minutes.

Mr. BOW. Mr. Speaker, it is not top secret that American boys in Vietnam are dying. We cannot legislate on the basis of top secret or be convinced because of top secret. I do not know what that could be. But I repeat that it is not top secret that ships of countries receiving our aid are going into North Vietnam, and it is the possibility—and I am sure the probability—that some of those ships are carrying the sinews of war which are bringing about the casualty lists that we are reading every day.

I should like to know why we should treat North Vietnam any better than we treat Cuba.

The gentleman says this is an appropriation bill and not a legislative bill, but in the appropriation bill last year this committee did not hesitate to put in the requirement that these shipments should not be made to Cuba so long as governed by the Castro regime. This is the precedent. This is the precedent for this House to take this action.

All that was done this year, in addition to the word "Castro regime," was the addition of the words "or to North Vietnam."

Are Members going to vote today to give better treatment to North Vietnam than is given to Cuba?

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. BOW. I do not have sufficient time, but I will yield to the gentleman, if he will make it brief, please.

Mr. GALLAGHER. I will make it very brief, in answer to the question concerning the statement just made.

Greece, in the Cuba situation, issued the necessary decrees to keep Greek ships out of Cuba at that time. When the government crisis is resolved presently in Greece—

Mr. BOW. I do not yield further, because I am concerned about the crisis of our own men in North Vietnam and in South Vietnam.

Mr. GALLAGHER. I am, too.

Mr. BOW. I do not yield further to the gentleman, if he is more interested in a crisis in Greece than a crisis in South Vietnam.

I am concerned about our country and about our men who are fighting in South Vietnam.

How much aid have we given to Greece over the years? It has been millions and hundreds of millions of dollars. Is it too much to ask them now not to ship further the sinews of war which are going to kill American men? Are we going to say to them, "It is all right, so far as Cuba is concerned, to cut them off, but let us give preferential treatment to North Vietnam?"

That is what we are being asked to do here today.

My good friend from New York, with whom I have served so long and so closely on his subcommittee, says we have to do this today because 14(b) is going to come up over in the Senate. That is almost as ridiculous, in my estimation, as is the question of the Greek situation.

Mr. ROONEY of New York. Mr. Speaker, will my distinguished friend from Ohio yield?

Mr. BOW. I am always glad to yield to my distinguished friend from New York.

Mr. ROONEY of New York. I am sure the gentleman will agree with me that that is one of the facts of life.

Mr. BOW. It is one of the things the gentleman is very good at doing, providing a little smokescreen once in a while when the battle gets rough and the guns are being fired.

I say to the gentleman that we have a continuing resolution, so if a debate on 14(b) starts up they will be able to go ahead just the same under the continuing resolution.

I hope we will not have any more continuing resolutions. We have one now up to October 15. I believe the debate on 14(b) will be over by October 15 and we will be able to get this bill through.

Mr. ROONEY of New York. Will my distinguished friend yield to me once again, briefly.

Mr. BOW. Of course.

Mr. ROONEY of New York. It has just occurred to me, as the result of the gentleman's remarks, that the adoption of this very conference report on the foreign aid appropriations bill has always been a bellwether of sine die adjournment.

Mr. BOW. I say to my friend from New York, I will stay here until the beginning of next session of Congress if I can save the life of one American boy who may be destroyed by shipments into North Vietnam. I am not going home for that purpose.

Mr. ROONEY of New York. That is commendable.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. PASSMAN. Mr. Speaker, I yield the gentleman from Ohio 2 additional minutes, and ask the gentleman if he will yield.

Mr. BOW. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I should like to ask the gentleman if it is not true that he would stay here the rest of this year if he could just keep one American boy from from being injured?

Mr. BOW. I would.

Mr. PASSMAN. I am willing to defer to the President, however, in this matter because I believe he feels the same way.

It seems to me that this problem should have been resolved when we were considering the authorization bill conference report. That, in my opinion, is the place for the Congress to legislate. We should not have to legislate on an appropriation bill.

Mr. BOW. The gentleman's own bill of last year, a copy of which I hold in my hand, had Cuba in it, and I we had the same President then we have today.

I cannot believe under any circumstances that it is necessary to put the President in here. I think the Congress has this responsibility and this right, and we should do it.

Mr. PASSMAN. I am not quarreling with the gentleman, but I think it is the only reasonable compromise that we can arrive at on this highly controversial foreign policy matter.

Mr. BOW. Mr. Speaker I now yield to the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, it seems to me when we considered this appropriation bill initially we fully recognized that the basic authorization bill was inadequate to deal with the problem. So we took our own steps to include North Vietnam in sections 107 (a) and (b). In other words, we decided that we would put Ho Chi Minh on the same level with Castro. They are both of the same ilk. Now, when the bill comes back in the form of a conference report we find that we are differentiating between Castro and Ho Chi Minh. I do not understand that. It seems to me that if we were not strong enough in the authorization bill, we ought to take the matter in our own hands and remedy the error we made.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. SHRIVER. Mr. Speaker, I yield the remaining time to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, I simply say that we ought to recommit the conference report for the valid reasons which have been given by the gentleman from Michigan (Mr. CHAMBERLAIN), the gentleman from Ohio (Mr. BOW), and the gentleman from Kansas (Mr. SHRIVER). It seems to me that we make ourselves look ridiculous when we seek to differentiate between Cuba and North Vietnam, between Castro and Ho Chi Minh. This motion gives us in the House of Representatives, and I hope in the other body, an opportunity to work our own will to tell the American people that we will make this decision and will not make any differentiation as between Ho Chi Minh and Mr. Castro.

Mr. Speaker, I yield back the balance of the time.

Mr. SHRIVER. Mr. Speaker, I yield the remaining 30 seconds to the gentleman from Kansas (Mr. DOLE).

Mr. DOLE. Mr. Speaker, I thank the gentleman for yielding. In this brief time, I would point out that we may be

considering a sugar bill in the next couple of weeks. In view of the statement of the gentleman from Michigan (Mr. CHAMBERLAIN) I would call attention to the fact that some countries who have been trading with North Vietnam will receive valuable U.S. sugar quotas under the provisions of pending sugar legislation.

In addition, there seems to be an effort in some areas of this administration for increasing trade with Russia, including the sale of wheat grown in my State. It seems about time we recognized the enemy, or enemies, in North Vietnam and suspended all trade with any country directly or indirectly responsible for the death of American boys.

Only yesterday, according to news reports, Russian-built, Russian-supplied, and I assume Russian-manned missiles reportedly shot down two more U.S. planes; and if this was not enough, Brezhnev, the Soviet Communist Party chief, warned yesterday of a further deterioration in Soviet-American relations. It seems it is time to face up to the moral issue of trading with the enemy, and in my opinion, we should suspend all trade with Russia or any other country, Communist or non-Communist, who may be aiding and abetting North Vietnamese efforts to defeat us and destroy our young men in South Vietnam.

Let me state again that I strongly believe in providing food for peace but just as strongly deplore providing food for war.

Mr. PASSMAN. Mr. Speaker, may I inquire of the Chair how much time we have left?

The SPEAKER pro tempore (Mr. Boggs). There are 15 minutes remaining. The gentleman from Louisiana has 15 minutes.

Mr. PASSMAN. Mr. Speaker, we want to be fair about a division of this time. I want to yield 5 additional minutes to the gentleman from Kansas (Mr. SHRIVER). We are not trying to use all the time on this side. We want to yield you as much time as you need.

Mr. SHRIVER. Mr. Speaker, I yield such time as he may require to the gentleman from Missouri (Mr. HALL).

(Mr. HALL asked and was given permission to revise and extend his remarks.)

Mr. HALL. Mr. Speaker, I shall vote for the motion to recommit. It seems to me this is about "where we came in." I well remember when we were shipping scrap iron to Japan before Pearl Harbor and it came "home to roost." I served 7½ years in that war, before, during, and thereafter. The father of my three granddaughters is on active duty in South Vietnam today. Much has been said here today about trusting one man with our foreign policy, in spite of no such statement in the Constitution. I for one would feel better about this if he were not busily engaged in giving away our known and confirmed sovereign rights in the Panama Canal Zone—the one place in the world where we have an uncontested right and on which may rest the firmness of the Platt amendment and even the Monroe Doctrine.

We legislated on the latter last week in this House.

I cannot imagine, in view of section 7 of article I of the Constitution, which gives directly the responsibility to the Congress to set policy respecting the support and training of armies and navies, why we should do other than what we are doing, and that is trying to help the executive branch prosecute effectively a war against invasion by communism around the world. Nor can I understand why we have not "taken out" North Vietnam's only oil storage and refinery at the port of Hanoi on the Coe River. Likewise I fail to understand why the Secretary of Defense emasculates the Reserve organization while failing to order Guard and Reserve members to active duty in a fit of power grab and political pique; in direct and agreed contravention of legislative constitutional prerogative. Yes, Mr. Speaker, I shall vote to recommit and I hope the House will do likewise.

I am certain that every American citizen was shocked by the declaration of the North Vietnam Communists last week that they intend to execute American servicemen captured by them in the future, in utter disregard of the Geneva Convention.

It is already sufficiently shocking that the North Vietnamese have committed murder within the past 2 weeks, executing without trials, two captured American servicemen. They were soldiers, following the orders of superiors. As such, their execution in alleged reprisal for the executions of three Vietcong terrorists, convicted by the South Vietnamese for acts of subversion and espionage, can only be considered an act of wanton murder.

The civilized world should have been as horrified by this declaration of savagery; yet, incredible as it seems, no cry of protest has been raised in the United Nations. Surely, in a world body which is supposed to represent the world conscience, there is no excuse to shut its eyes, bind its mouth, and hold its ears to an act more befitting of the Stone Age than the 20th century.

Brutal as warfare is, there are certain recognized practices—including humane treatment of prisoners, which all civilized nations have observed. Nowhere in recent history, except perhaps the Congo, has there been such an inhuman pronouncement as the one by the Communist Government of North Vietnam. What better indication of the true intentions of the Communist world that not a single Communist nation—whether in the Russian camp or the Chinese camp—has publicly condemned the announcement.

When the United States felt it practical to make use of tear gas, which rendered its Vietcong enemies in tears and ill at their stomachs for a brief period, the hue and cry around the world was deafening. This harmless gas—used by the police forces of many nations—was not in contravention of any article of the Geneva Convention. Yet, the world—our friends as well as our enemies—literally "raised the roof."

But, in the face of wanton murder, where—we must ask—are those voices of condemnation, which felt no compunction about berating the United States? Neither our friends, nor our enemies, have seen fit to voice complaint or protest.

The United Nations sleeps, unwilling to express its conviction, and afraid lest it offend the Communist bloc. I well recall that another world body tried to ignore savagery, when an Ethiopian Emperor pleaded for help against Mussolini's legions. And, failing to react in a moment of crisis, it eventually disintegrated.

Surely, it is apparent now, that every Communist reaction to any issue is based on only one question, Will it advance or retard Communist control over the remaining free world?

The author of "Advise and Consent", Allan Drury, has written another book, "Three Kids in a Cart." It contains the following passage, which I would like to quote:

There has never been any evidence at any hour of the day, except that which we ourselves have blown out of all proportion with our desperate hopes, to indicate that the Communists have ever had any intention of permitting peace to come to the world, or do anything but destroy the free civilization of the West. Each little crumb which has fallen from their table has been hailed as 10 loaves of bread—by us.

Each conciliatory gesture, always made with a devious purpose, has been turned into hopeful signs—by us. And, while we have been busy telling ourselves we saw good faith where good faith never existed, the patient plan of murder and deceit and our ultimate destruction has gone forward, unchanged to the slightest degree by the self-delusions we have desperately clung to.

Surely, the murder of prisoners of war will eliminate any further self-delusions by any American who has accepted the myth of peaceful coexistence.

Surely this is a time to rescue ourselves from apathy, to strengthen our resolve to resist the Communist invader from the North and to serve notice to the Communists and to the other nations of the world that freedom's light will not be snuffed out by acts of terror and wanton murder.

Mr. PASSMAN. Mr. Speaker, I yield such time as he may require to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, I thank the gentleman for yielding; and I shall not take much time.

Mr. Speaker, at least two points ought to be kept in mind in the consideration of this matter. First, what we are asking here is that Members not tie the hands of the President of the United States in administering this program. The President is not going to let one thing happen anywhere that will jeopardize our safety. The President is our Commander in Chief. We trust him with atomic weapons and all the military power of our country. What the President needs is the power to protect the lives of our people. Furthermore, Mr. Speaker, cutting off of aid will not necessarily stop shipments; and that is what we are interested in doing. We are interested in

stopping shipments to North Vietnam by all of our allies. But if we cut off aid to Greece, the private shipping interests in Greece, under the government under which that country operates, could continue to make shipments into North Vietnam. It seems to me that if we give this authority to the President we will enable him to use his good offices to persuade our allies to persuade in turn their private shipping interests to stop these shipments. This is the only way that we can hope to get done what all Members want done.

The President has a great record in this regard. The shipments into North Vietnam from countries friendly to the United States have gone down considerably under the persuasion of the President. The President is doing the job. We must not tie his hands and make it impossible for him to function in the national interest.

Mr. PASSMAN. Mr. Speaker, I yield 2 minutes to the distinguished and able chairman of the Committee on Foreign Affairs [Mr. MORGAN].

(Mr. MORGAN asked and was given permission to revise and extend his remarks.)

Mr. MORGAN. Mr. Speaker, I stand firm behind the statement of the Majority Leader. This is going to be a determination by the President of the United States. I am sure everybody in this Chamber has confidence in our President. He is not going to let any ships go into the ports of North Vietnam carrying material from our allies that are going to destroy the lives of American boys.

I wish that some of the Members who have spoken here about saving the lives of American boys had acted differently 3 weeks ago when we had before us an appropriation to furnish guns and jeeps and ammunition for the boys fighting in South Vietnam by supporting the foreign military assistance part of the foreign aid program. It seems peculiar to me that they can come in here and say, "We want to save lives in South Vietnam," but 3 weeks ago when we had the military assistance program many votes on the minority side were cast in the negative.

This is a determination by your President, who is solely responsible for foreign policy. Let us have confidence in the President of the United States.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I am glad to yield to the gentleman from Michigan.

I am talking about this very bill that we have in conference today.

Mr. GERALD R. FORD. There is some difference between the appropriation bill for the support of our own U.S. Army, Navy, Air Force, and Marines, and this bill. Everybody voted for that bill.

Mr. MORGAN. The gentleman voted for the bill, but many Members who are opposing this section have never supported military assistance.

Mr. GERALD R. FORD. But, just a minute, the gentleman from Pennsylvania is not being clear. The foreign aid appropriation bill does not provide

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one bullet or one bit of equipment for any U.S. military personnel.

With reference to the appropriations bill for our own forces, every Member of this House, Democrat and Republican, voted for it. Now, that is the only place in which we supply guns and ammunition for our own troops.

Mr. MORGAN. The gentleman is familiar that a part of the foreign aid military assistance goes to supply the joint effort of the United States forces and the South Vietnamese forces in our fight against Vietcong.

Mr. GERALD R. FORD. The appropriation contained in the foreign aid bill goes to those nations that are allied with us and not our own forces.

Mr. SHRIVER. Mr. Speaker, I yield 2 minutes to the distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD].

(Mr. GERALD R. FORD asked and was given permission to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time only for the purpose of clarifying what I believe was unfortunately a wrong impression created. Every Member of this House, as I recall it, voted unanimously to support our own military budget for the Departments of the Army, the Navy and the Air Force.

There was some disagreement on the appropriation bill for the foreign aid program. But I know of no amendment that was offered by anyone to make a reduction in the military assistance portion of that appropriation bill. There have been some reservations by some concerning the economic assistance. But if we had the military assistance portion of the foreign aid program isolated so all would have the choice of voting either "yes" or "no" on that, I do not think a single Member of this body on either side of the aisle would oppose that portion of the program.

So, Mr. Speaker, when some Members on both sides of the aisle have voted against the authorization or the appropriation for the foreign aid program, I believe there has been a reflection that they had violent disagreement with the economic assistance rather than the military assistance.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. Not right now, but I shall yield to the gentleman later if I have time.

Mr. Speaker, in closing I have traditionally and forcefully on almost every occasion favored both the authorization and the appropriation bill for the foreign aid program. I believe in it. I think it is right. But I think it was unfortunate that the implication was raised that some Members—and I do not know which Members the gentleman from Pennsylvania was speaking about—had not voted to support the military assistance for our own forces.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. SHRIVER. Mr. Speaker, I yield 1 additional minute to the minority leader.

Mr. MORGAN. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Speaker, knowing of the years of service that the gentleman has put in on the Committee on Appropriations and knowing of his great interest in military assistance, I remember the day that the gentleman from Michigan took the floor in favor of increasing the military assistance in the foreign aid bill by \$100 million. The gentleman has been a great defender of the military assistance program. But surely the gentleman from the knowledge he has, having served on the Military Appropriations Subcommittee and on the great Committee on Appropriations and through his years of service on the full Committee on Appropriations fully realizes that every dollar we send into South Vietnam, whether it comes out of our own military appropriations or the military assistance program is a joint endeavor to win this war. So you cannot make a decision here today saying that you do not want to sacrifice the life of one American soldier because in many places in South Vietnam, and the gentleman knows this, in many places in South Vietnam the South Vietnamese army is the army that is guarding our military installation.

Mr. GERALD R. FORD. Let me make this one final comment.

Every ship that goes into a North Vietnamese port whether it is a Soviet bloc ship or a free world ship complicates our military problem in Vietnam. So what this amendment provided in the House bill, and the gentleman from New York was wise to offer it, precluded that. I hope and trust that we will stand firm against this conference report and vote to recommit it.

Mr. SHRIVER. Mr. Speaker, I yield 30 seconds to the gentleman from North Dakota [Mr. ANDREWS].

Mr. ANDREWS of North Dakota. Mr. Speaker, I would like to ask a question of the distinguished chairman of our subcommittee. A moment ago he said during the debate that if the House deletes the Rooney amendment, it would boll down to North Vietnam getting favored treatment over Cuba. This is the thing that bothers me, Mr. Speaker, and bothers me deeply. Do you feel we are less at war with North Vietnam than we are with Cuba? If no, how can you justify deleting sanctions against shipping to North Vietnam when we have taken them as regards Cuba?

Mr. PASSMAN. The gentleman has made a statement of fact. I do not like some of the things that this Congress is doing any more than the gentleman from North Dakota does. We are dealing with a foreign policy question and dealing with something that should have been handled by the legislative committees and not by the Committee on Appropriations.

The SPEAKER. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I am trusting the President on this matter of foreign policy. We are supposed to have a nonpartisan foreign policy. I do not believe the President would take a chance on losing one single American life. I am willing to trust him. I am willing to take his word that there are certain conditions existing now, and that, therefore, he needs the language that is in this bill.

I want to say I am certainly in complete sympathy with some of the statements that have been made today. But there is no such thing as having legislation just as we want it. We have stronger language in this conference report than what was contained in the conference report on the authorizing legislation. The conference report also contains stronger language than what was contained in the Senate appropriation bill. When we had the conference report on the authorization bill before us that was the proper time to write strong legislation on the subject and not to wait to within a few days of adjournment sine die and bring up highly controversial foreign policy question and move to recommit this appropriation bill.

The SPEAKER. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Speaker, I yield the balance of the time on the conference report to the very distinguished, able and sincere chairman of the Committee on Appropriation, the gentleman from Texas [Mr. MAHON].

The SPEAKER. The gentleman from Texas [Mr. MAHON] is recognized for 5 minutes.

Mr. MAHON. Mr. Speaker, I want to thank the gentleman from Louisiana [Mr. PASSMAN] for yielding to me the remaining 5 minutes.

Mr. Speaker, I rise to support the position which the gentleman from Louisiana has just taken in regard to the pending conference report and the position which he has just taken against the forthcoming motion to recommit the bill.

This bill has in it some \$670 million plus, for southeast Asia. Much of it to equip South Vietnamese soldiers—to equip them and to feed them and to help them fight the battles and share the sacrifices in this war for freedom in South Vietnam. I support this contribution to encourage the South Vietnamese to share in the cost, and in the fighting, and in the dying in South Vietnam.

Some seem to be troubled by the fact that the restrictive language provisions in the bill and the conference report with respect to Cuba and with respect to North Vietnam are a bit different. The present restrictive language with respect to Cuba came about principally in 1962. Many countries were trading with Cuba at that time. Over a period of weeks and months our Government was able to shut off free world shipping to Cuba by countries which were receiving our aid. But it took some time. So the gentleman from New York has said we are now making progress in shutting off all free world shipping to North Vietnam. Our objective, of course,

is to shut off all free world shipping to North Vietnam; but this is not something that the President feels can be done immediately or overnight, especially in view of the situation in Greece. A number of Greek ships are involved. It is taking time. We all favor taking every appropriate step toward the elimination of all free world shipping to North Vietnam. This is certainly my position and my objective in supporting the conference agreement.

In this bill, which the gentleman from Louisiana [Mr. PASSMAN] is asking you to vote for—and which I hope you will support—we have forbidden aid to any country which provides, sells, or ships in its vessels material to North Vietnam. We forbid it. We then propose to add the proviso—"unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

In other words, we are trusting the President as Commander in Chief of the Armed Forces; we are trusting him as our spokesman in foreign policy, just as we have always trusted our Presidents in foreign policy matters. My point is, why not trust him who is in command of our Armed Forces in South Vietnam in this matter of shipping and working out these arrangements which are well under way and which have been quite successful in part thus far? Why not continue to trust him in this matter? We trust him with many vital national matters affecting our freedom, our security, our lives. We trust him with his finger on the trigger of the atomic bomb. Under our system the President is automatically charged with many awesome responsibilities.

A vote otherwise could in my judgment be interpreted as a vote of no confidence in the President in this matter, this is certainly not the desire of any Members of the House on either side of the aisle.

Elsewhere in the bill, in amendment 11, we prohibit assistance to Sukarno's Indonesia unless—and I am reading from the bill itself—"unless the President determines that such availability is essential to the national interest of the United States."

Furthermore, Congress did a similar thing earlier this session with respect to Nasser and the United Arab Republic when we had up the Commodity Credit Corporation supplemental appropriation in January. In that instance, we prohibited the use of any funds to export any of our agricultural commodities to the United Arab Republic except—and this is the point—except when—and I quote from the law—"except when the President determines that the financing of such exports is in the national interest."

Furthermore, Mr. Speaker, for the sake of emphasis, I must repeat something others have said, because it is pertinent and it is important to an evaluation of the question: The conference agreement against North Vietnam shipping is stronger—much stronger—than what Congress adopted only a few weeks ago in the foreign aid authorization bill. And

the conference prohibition is also much stronger than the Senate amendment 9 which it replaces.

Both the authorization bill and the Senate amendment in the pending bill merely constituted expressions of the sense of Congress about cutting off aid under the given circumstances. But the conference agreement is a mandatory provision—not merely an expression of a view. And the conference agreement is as strict, as strong, and as prohibitive as the original House restrictions in this appropriation bill with the single and sole exception of the Presidential discretion provision.

Mr. Speaker, in elaboration, may I say that the casual reader of this Record or those not acquainted with the details of the various provisions of the bill might gather that this conference agreement with respect to modification of the North Vietnam restriction represented a radical departure from precedent or practice. On the contrary, Mr. Speaker, Congress has repeatedly recognized the need for Presidential discretion in highly sensitive situations where national security is involved. Cutting off shipping to North Vietnam is not the only question at stake; as indicated earlier, important relationships with NATO allies vital to our security might well be adversely affected if in our well-intentioned desire to hamstring North Vietnam in every way possible we should unwisely tie our President's hands. That is what we have tried to avoid, and that is our aim in this conference agreement to which some objection has been voiced.

But more specifically, Mr. Speaker, the whole of the truth about the pending provision is this: The only real difference—the only difference of substance—between the original House passed version and the conference version is that the conference version permits the Presidential discretion which I mentioned. That is the only difference. And there is nothing new or radical about that.

Elsewhere in the pending bill, in amendment No. 10, we prohibit assistance to Nasser's United Arab Republic unless—and I am reading from the bill itself, which states—"unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

During President Eisenhower's administration, discretionary language was likewise adopted by Congress in dealing with sensitive international situations in Yugoslavia. There are other examples. This policy grows out of a realization of the fact that often there are unpredictable changes in world trouble spots which require flexibility of action by the President if he is to serve the best interest of the United States.

So, Mr. Speaker, I hope the coming motion to recommit the conference report will fail, and that we retain in the bill language forbidding shipments to North Vietnam except in certain instances and circumstances in which the President determines—as he must under the conference bill—that it is in the national interest to do otherwise and notifies the Congress to that effect.

Mr. CHAMBERLAIN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CHAMBERLAIN. I wonder if the distinguished chairman of the committee could give us an example of a case in which the President of the United States might determine that it was in the national interest of our country to permit free world ships to carry military hardware to North Vietnam?

Mr. MAHON. The President does not favor the carrying of military hardware to North Vietnam.

Mr. CHAMBERLAIN. That is the discretion we are giving him, is it not?

Mr. MAHON. I believe he needs the discretion which is in the pending bill in working with certain of our NATO Allies until this matter can be handled in such a way as to enhance the stature of the United States in the NATO countries and also take care of our interests in southeast Asia. It seems to me that this is certainly a very wise position for us to take at this time under the circumstances.

Mr. PASSMAN. The President would never permit such a thing to happen if it was within his power to prevent it.

Mr. ROGERS of Florida. Mr. Speaker, the measure before makes available United States aid to Mexico. The amount is undisclosed, yet last year United States aid to Mexico totaled almost \$25 million.

It is curious that \$25 million is the official amount of trade Mexico exported to Communist Cuba last year. Unofficial yet reliable sources show 1964 Mexican-Cuban trade to be worth at least three times that amount.

It must be noted that the Organization of American States is desperately trying to enforce an economic and diplomatic boycott of Communist Cuba. Mexico seems oblivious of this official attempt by all the nations of this hemisphere to quarantine Fidel Castro.

As the leading nation in the Western Hemisphere, the United States should be the first to initiate reprisals against those foreign countries who thwart the will of the majority of the nations in the hemisphere.

United States relations with Mexico have been cordial. The fact that Americans purchased over \$600 million in goods from their Mexican neighbors last year shows the good will which exists between the two countries. However, with the true nature of the Castro regime shown as virtually against the principles of the free world, those who administer the U.S. foreign aid program ought to use this Nation's generosity with Mexico as a lever to obtain an end to Mexico's aid to Communist Cuba.

I urge the Congress to impress these principles in our foreign policy.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT

Mr. SHRIVER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

October 1, 1965

Mr. SHRIVER. I am, Mr. Speaker. The SPEAKER. The gentleman qualifies.

The clerk read as follows:

Mr. SHRIVER moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist upon disagreement to amendment No. 7.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 164, nays 174, not voting 94, as follows:

[Roll No. 347]

YEAS—164

| | | |
|----------------|-----------------|-----------------|
| Abbt | Fisher | O'Neal, Ga. |
| Abernethy | Ford, Gerald R. | Pelly |
| Andrews, | Fountain | Pike |
| N. Dak. | Fulton, Pa. | Poff |
| Arends | Fuqua | Pool |
| Ashbrook | Gathings | Pucinski |
| Ashmore | Gettys | Quile |
| Ayres | Gibbons | Quillen |
| Baldwin | Griffin | Randall |
| Baring | Groce | Reid, Ill. |
| Bates | Grover | Relfel |
| Battin | Gubser | Reinecke |
| Belcher | Gurney | Roberts |
| Bell | Hagan, Ga. | Robison |
| Bennett | Haley | Rogers, Fla. |
| Berry | Hall | Roush |
| Betts | Halpern | Rumsfeld |
| Bow | Hanna | Satterfield |
| Brock | Hansen, Idaho | Saylor |
| Broomfield | Harvey, Ind. | Schneebeli |
| Broyhill, N.C. | Harvey, Mich. | Schwelker |
| Broyhill, Va. | Herlong | Secrest |
| Buchanan | Horton | Selden |
| Byrnes, Wis. | Hull | Shriver |
| Casey | Hungate | Skubitz |
| Cederberg | Hutchinson | Smith, Calif. |
| Chamberlain | Ichord | Smith, N.Y. |
| Clancy | Jarman | Smith, Va. |
| Clausen, | Jennings | Springer |
| Don H. | Johnson, Pa. | Stafford |
| Clawson, Del. | Jonas | Stanton |
| Cleveland | Jones, Mo. | Stubblefield |
| Collier | Kelth | Talcott |
| Conable | King, N.Y. | Taylor |
| Conte | Kunkel | Teague, Calif. |
| Corbett | Langen | Teague, Tex. |
| Cramer | Lennon | Thomson, Wis. |
| Cunningham | Lipcomb | Tuck |
| Curtin | McCarthy | Tuten |
| Dague | McClary | Waggonner |
| Davis, Ga. | McDade | Walker, Miss. |
| Davis, Wis. | McEwen | Walker, N. Mex. |
| Derwinski | McMillan | Watkins |
| Devine | MacGregor | Watson |
| Dickinson | Marsh | Watts |
| Dole | Martin, Mass. | Wetner |
| Dowdy | Martin, Nebr. | Whalley |
| Downing | Mills | White, Tex. |
| Dulski | Minshall | Whitener |
| Duncan, Tenn. | Moeller | Widnall |
| Dwyer | Moore | Williams |
| Edwards, Ala. | Morton | Wolff |
| Ellsworth | Mosher | Wylder |
| Erlenborn | Nelsen | Younger |
| Fucell | O'Konski | |
| Findley | Olsen, Mont. | |

NAYS—174

| | | |
|---------------|----------------|-----------------|
| Adams | Burleson | Denton |
| Albert | Burton, Calif. | Diggs |
| Anderson, | Byrne, Pa. | Dingell |
| Tenn. | Cabell | Donohue |
| Annunzio | Callan | Edmondson |
| Ashley | Cameron | Edwards, Calif. |
| Bandstra | Chelf | Evans, Colo. |
| Barrett | Clark | Everett |
| Beckworth | Clevenger | Fallon |
| Bingham | Cohelan | Farbstein |
| Blatnik | Conyers | Farnley |
| Boggs | Corman | Farnum |
| Boland | Craley | Feighan |
| Bolling | Culver | Flood |
| Brademas | Daddario | Fogarty |
| Brooks | Daniels | Foley |
| Brown, Calif. | de la Grza | Ford |
| Burke | Delaney | William D. |

| | | |
|-----------------|----------------|---------------|
| Fraser | McGrath | Reenick |
| Friedel | McVicker | Rhodes, Pa. |
| Fulton, Tenn. | Machen | Rodino |
| Gallagher | Mackey | Rogers, Colo. |
| Garmatz | Mackie | Rogers, Tex. |
| Gilbert | Madden | Ronan |
| Gonzalez | Mahon | Rooney, N.Y. |
| Gray | Mailliard | Rooney, Pa. |
| Green, Pa. | Matsuura | Rosenthal |
| Greigg | Meeds | Rostenkowski |
| Grider | Miller | Roybal |
| Griffiths | Minish | Ryan |
| Hagen, Calif. | Mink | St Germain |
| Hamilton | Moanigan | Scheuer |
| Hansen, Wash. | Moorhead | Schisler |
| Harris | Morgan | Schmidhauser |
| Hathaway | Morrison | Senner |
| Hechler | Moss | Sickles |
| Helstoski | Multer | Sikes |
| Hicks | Murphy, Ill. | Slack |
| Holland | Murphy, N.Y. | Staggers |
| Howard | Murray | Stalbaum |
| Huot | Natcher | Sullivan |
| Irwin | Nedzi | Tenzar |
| Jacobs | O'Brien | Todd |
| Joelson | O'Hara, Ill. | Trimble |
| Johnson, Calif. | O'Hara, Mich. | Udall |
| Jones, Ala. | Olson, Minn. | Ullman |
| Karston | O'Neill, Mass. | Van Deerlin |
| Karsh | Ottinger | Vanik |
| Kastenmeier | Paseman | Vigorito |
| King, Calif. | Patman | Vivian |
| King, Utah | Patten | White, Idaho |
| Krebs | Pepper | Whitten |
| Landrum | Perkins | Willis |
| Leggett | Philbin | Wilson |
| Long, Md. | Pickle | Charles H |
| Love | Poage | Wright |
| McDowell | Powell | Young |
| McFall | Price | Zablocki |
| | Reid, N.Y. | |

NOT VOTING—94

| | | |
|----------------|----------------|----------------|
| Adair | Grabowski | Morris |
| Addabbo | Green, Oreg. | Morse |
| Anderson, Ill. | Halleck | Nix |
| Andrews, | Hanley | Pirnie |
| George W. | Hansen, Iowa | Purcell |
| Andrews, | Hardy | Race |
| Glenn | Harsha | Redlin |
| Aspinall | Hawkins | Reuss |
| Bolton | Hays | Rhodes, Ariz. |
| Bonner | Hébert | Rivers, S.C. |
| Bray | Henderson | Rivers, Alaska |
| Burton, Utah | Hollifield | Roncalio |
| Cahill | Hosmer | Roudebush |
| Calkaway | Johnson, Okla. | St. Onge |
| Carey | Kee | Scott |
| Carter | Kelly | Shipley |
| Celler | Keogh | Smith, Iowa |
| Colmer | Kirwan | Steed |
| Cooley | Kluczynski | Stephens |
| Curtis | Kornegay | Stratton |
| Dawson | Laird | Sweeney |
| Dent | Latta | Thomas |
| Dorn | Lindsay | Thompson, N.J. |
| Dow | Long, La. | Thompson, Tex. |
| Duncan, Oreg. | McCulloch | Toil |
| Dyal | Macdonald | Tunney |
| Evins, Tenn. | Martin, Ala. | Tupper |
| Flynt | Mathias | Utt |
| Frelinghuysen | Matthews | Wilson Bob |
| Gilligan | May | Wyatt |
| Goodell | Michel | Yates |
| | Mize | |

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

| |
|-------------------------------------------------------------|
| Mr. Hébert for, with Mr. Keogh against. |
| Mr. Long of Louisiana for, with Mr. Kirwan against. |
| Mr. Kornegay for, with Mrs. Kelly against. |
| Mr. Adair for, with Mr. Dent against. |
| Mr. Roudebush for, with Mr. Celler against. |
| Mr. Burton of Utah for, with Mr. Carey against. |
| Mr. Bob Wilson for, with Mr. Dow against. |
| Mr. Callaway for, with Mr. Dyal against. |
| Mr. Carter for, with Mr. Gilligan against. |
| Mrs. May for, with Mr. Purcell against. |
| Mr. Latta for, with Mrs. Green of Oregon against. |
| Mr. Hosmer for, with Mr. Hollifield against. |
| Mr. Laird for, with Mr. Yates against. |
| Mr. Curtis for, with Mr. Toil against. |
| Mr. Henderson for, with Mr. Thompson of New Jersey against. |
| Mr. Fino for, with Mr. Sweeney against. |

Mr. Martin of Alabama for, with Mr. St. Onge against.

Mr. Bray for, with Mr. Hays against.
Mr. Utt for, with Mr. Cooley against.
Mr. Wyatt for, with Mr. Dawson against.
Mr. Dorn for, with Mr. Tunney against.
Mr. Scott for, with Mr. Roncalio against.
Mr. Stephens for, with Mr. Hawkins against.

Mr. Flynt for, with Mr. Kee against.
Mr. George W. Andrews for, with Mr. Reuss against.

Mr. Pirnie for, with Mr. Rivers of Alaska against.

Mr. Rhodes of Arizona for, with Mr. Hanley against.

Mr. Glenn Andrews for, with Mr. Grabowski against.

Mr. Harsha for, with Mr. Hansen of Iowa against.

Mr. Anderson of Illinois for, with Mr. MacDonald against.

Mr. Mize for, with Mr. Nix against.
Mr. Michel for, with Mr. Redlin against.

Mr. Cahill for, with Mr. Stratton against.
Mr. Matthews for, with Mr. Duncan of Oregon against.

Mr. Race for, with Mr. Kluczynski against.

Until further notice:

Mr. Shipley with Mr. Lindsay.
Mr. Morris with Mr. Morse.
Mr. Thomas with Mr. Frelinghuysen.
Mr. Addabbo with Mr. Mathias.
Mr. Bonner with Mr. Halleck.
Mr. Aspinall with Mr. Goodell.
Mr. Colmer with Mr. McCulloch.
Mr. Hardy with Mr. Tupper.
Mr. Evins of Tennessee with Mrs. Bolton.
Mr. Smith of Iowa with Mr. Steed.

The result of the vote was announced as above recorded.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 204, nays 127, not voting 101, as follows:

[Roll No. 348]

YEAS—204

| | | |
|----------------|-----------------|-----------------|
| Adams | Culver | Griffin |
| Albert | Daddario | Griffiths |
| Anderson, | Daniels | Hagen, Calif. |
| Tenn. | Delaney | Halpern |
| Annunzio | Denton | Hamilton |
| Arends | Diggs | Hanna |
| Ashley | Dingell | Hansen, Wash. |
| Ayres | Donohue | Harris |
| Baldwin | Downing | Hathaway |
| Bandstra | Dulski | Hechler |
| Barrett | Dwyer | Helstoski |
| Bates | Edmondson | Hicks |
| Beckworth | Edwards, Calif. | Holland |
| Bell | Evans, Colo. | Horton |
| Bingham | Fallon | Howard |
| Blatnik | Farbstein | Huot |
| Boggs | Farnley | Irwin |
| Boland | Farnum | Jacobs |
| Bolling | Fascell | Joelson |
| Brademas | Feighan | Johnson, Calif. |
| Brooks | Flood | Jones, Ala. |
| Broomfield | Fogarty | Karston |
| Brown, Calif. | Foley | Karsh |
| Burke | Ford, Gerald R. | Kastenmeier |
| Burton, Calif. | Ford, | King, Calif. |
| Byrne, Pa. | William D. | King, Utah |
| Cabell | Fraser | Krebs |
| Callan | Friedel | Kunkel |
| Cameron | Fulton, Pa. | Landrum |
| Clark | Fulton, Tenn. | Leggett |
| Cleveland | Gallagher | Long, Md. |
| Clevenger | Garmatz | Love |
| Cohelan | Glaimo | McCarthy |
| Conyers | Gilbert | McDade |
| Corman | Gonzalez | McDowell |
| Craley | Gray | McFall |
| | Green, Pa. | McGrath |
| | Greigg | McVicker |
| | Grider | Machen |

October 1, 1965

CONGRESSIONAL RECORD — HOUSE

24855

Mackay
Mackie
Madden
Mahon
Mallard
Martin, Mass.
Matsunaga
Meeds
Miller
Minish
Mink
Monagan
Moorhead
Morgan
Morrison
Morton
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olson, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger

Fassman
Fatten
Felly
Pepper
Perkins
Philbin
Pickle
Pike
Powell
Price
Pucinski
Quie
Reld, N.Y.
Resnick
Rhodes, Pa.
Robison
Rodino
Rogers, Colo.
Roman
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
Ryan
St. Germain
Scheuer
Schisler
Schmidhauser
Schweiker

Selden
Sennner
Sickles
Sisk
Smith, N.Y.
Springer
Stafford
Staggers
Stalbaum
Sullivan
Teague, Calif.
Tenzler
Todd
Trimble
Udall
Van Deerlin
Vanik
Vigorito
Vivian
Weltner
Whalley
White, Idaho
Widnall
Wilson
Charles H.
Wolf
Wright
Wyder
Young
Zablocki

NAYS—127

Abbitt
Abernethy
Andrews,
N. Dak.
Ashbrook
Ashmore
Baring
Battin
Belcher
Bennett
Berry
Betts
Bonner
Bow
Brock
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burlison
Byrnes, Wis.
Casey
Cederberg
Chamberlain
Chief
Ciancy
Clausen,
Don H.
Clawson, Del.
Collier
Cramer
Cunningham
Curtin
Dague
Davis, Ga.
Davis, Wis.
de la Garza
Derwinski
Devine
Dickinson
Dole
Dowdy
Duncan, Tenn.
Edwards, Ala.

Ellsworth
Erlenborn
Everett
Fisher
Fountain
Fuqua
Gathings
Gettys
Gibbons
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Haley
Hall
Hansen, Idaho
Harvey, Ind.
Harvey, Mich.
Herlong
Hull
Hungate
Hutchinson
Ichord
Jarman
Jennings
Johnson, Pa.
Jonas
Jones, Mo.
Keith
King, N.Y.
Langen
Lennon
Lipscomb
McClory
McMillan
Marsh
Martin, Nebr.
Mills
Minshall
Moeller
Moore
Mosher

Nelsen
O'Konski
O'Neal, Ga.
Poage
Poff
Pool
Quillen
Randall
Reid, Ill.
Reifel
Reinecke
Roberts
Rogers, Fla.
Rogers, Tex.
Roush
Rumsfeld
Satterfield
Saylor
Schneebeli
Secrest
Shriver
Skubitz
Smith, Calif.
Smith, Va.
Stubblefield
Talcott
Taylor
Teague, Tex.
Thomson, Wis.
Tuck
Tuten
Vaggonner
Walker, Miss.
Walker, N. Mex.
Watkins
Watson
Watts
White, Tex.
Whitener
Whitten
Williams
Willis
Younger

NOT VOTING—101

Adair
Addabbo
Anderson, Ill.
Andrews,
George W.
Andrews,
Glenn
Aspinall
Bolton
Bray
Burton, Utah
Cahill
Callaway
Carey
Carter
Celler
Colmer
Cooley
Curtis
Dawson
Dent
Dorn
Duncan, Oreg.
Dyal
Evins, Tenn.
Findley
Fino

Flynt
Frelinghuysen
Gilligan
Goodell
Grabowski
Green, Oreg.
Halleck
Hanley
Hansen, Iowa
Hardy
Harsha
Hawkins
Hays
Hébert
Henderson
Hollfield
Hosmer
Johnson, Okla.
Kee
Kelly
Keogh
Kirwan
Kluczynski
Kornegay
Laird
Latta
Lindsay
Long, La.

McCulloch
McEwen
Macdonald
MacGregor
Martin, Ala.
Mathias
Matthews
May
Michel
Mize
Morris
Morse
Nix
Patman
Pirnie
Purcell
Race
Redlin
Reuss
Rhodes, Ariz.
Rivers, Alaska
Rivers, S.C.
Roncalio
Roudebush
St. Onge
Scott
Shipley
Sikes

Slack
Smith, Iowa
Stanton
Steed
Stephens
Stratton

Sweeney
Thomas
Thompson, N.J.
Thompson, Tex.
Toll
Tunney

Tupper
Ullman
Utt
Wilson, Bob
Wyatt
Yates

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:
Mr. Keogh for, with Mr. Hébert against.
Mr. Kirwan for, with Mr. Kornegay against.
Mr. Kluczynski for, with Mr. Henderson against.
Mrs. Kelly for, with Mr. Scott against.
Mr. Hollfield for, with Mr. Shipley against.
Mr. Addabbo for, with Mr. Sikes against.
Mr. Celler for, with Mr. Stephens against.
Mr. Macdonald for, with Mr. George W. Andrews against.
Mr. Gilligan for, with Mr. Colmer against.
Mr. Evins for, with Mr. Dorn against.
Mr. Slack for, with Mr. Flynt against.
Mr. Hays for, with Mr. Rivers of South Carolina against.
Mr. Casey for, with Mr. Race against.
Mr. Cooley for, with Mr. Morris against.
Mr. Dow for, with Mr. Steed against.
Mrs. Bolton for, with Mr. Glenn Andrews against.
Mr. Morse for, with Mr. Harsha against.
Mr. MacGregor for, with Mr. Carter against.
Mr. Cahill for, with Mr. Utt against.
Mr. Frelinghuysen for, with Mr. Rhodes of Arizona against.
Mr. Pirnie for, with Mr. Bob Wilson against.
Mr. Mathias for, with Mr. Adair against.
Mr. Lindsay for, with Mr. Callaway against.
Mr. Tupper for, with Mr. Roudebush against.
Mr. Dent for, with Mr. Michel against.
Mr. Dyal for, with Mr. Stanton against.
Mr. Toll for, with Mr. Martin of Alabama against.
Mr. Nix for, with Mr. McEwen against.
Mr. Thompson of New Jersey for, with Mr. Latta against.
Mr. St. Onge for, with Mr. Laird against.
Mr. Hanley for, with Mr. Fino against.
Mr. Purcell for, with Mr. Curtis against.
Mr. Stratton for, with Mr. Burton of Utah against.
Mr. Sweeney for, with Mr. Long of Louisiana against.
Mr. Yates for, with Mr. Wyatt against.
Mr. Kee for, with Mrs. May against.
Mr. Reuss for, with Mr. Mize against.
Mrs. Green of Oregon for, with Mr. Bray against.
Mr. Redlin for, with Mr. Anderson of Illinois against.
Mr. Rivers of Alaska for, with Mr. Johnson of Oklahoma against.
Mr. Smith of Iowa for, with Mr. McCulloch against.
Mr. Grabowski for, with Mr. Findley against.

Until further notice:

Mr. Thomas with Mr. Hardy.
Mr. Hansen of Iowa with Mr. Tunney.
Mr. Ullman with Mr. Dawson.
Mr. Aspinall with Mr. Hawkins.
Mr. Roncalio with Mr. Patman.
Mr. Matthews with Mr. Duncan of Oregon.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 12, line 9, insert:

"SEC. 116. In determining whether the funds appropriated or made available pursuant to this Act for assistance under the Foreign Assistance Act of 1961, as amended,

may be used for assistance to any country, the President shall take into account such steps as that country has taken to prevent ships under its registry from transporting strategic items, items of economic assistance, or other equipment, materials or commodities to North Vietnam. If any country receiving assistance fails to take appropriate steps to prevent its ships from transporting such items, it is the sense of the Congress that assistance should be denied to that country."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following:

"SEC. 116. No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this Act unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 12, line 20, insert:

"SEC. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic, unless the President determines that such availability is essential to the national interest of the United States."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 13, line 1, insert:

"SEC. 118. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to Indonesia, unless the President determines that such availability is essential to the national interest of the United States."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just adopted by the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISMISSAL OF COURT ACTION— MESSAGE FROM THE DEPARTMENT OF JUSTICE

The SPEAKER laid before the House the following communication from the Department of Justice:

DEPARTMENT OF JUSTICE,
Washington, September 29, 1965.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: We enclose a copy of an order entered by the court on September 14, 1965, in the action entitled *The All-America Protectorate, Inc. v. Lyndon B. Johnson, et al.*, Civil No. 1583-85, in which you were named as a defendant. As indicated in the court's order, this action has now been dismissed by the court.

Accordingly, at an appropriate time after the appeal period has expired, we will close our files in this matter.

Sincerely yours,

JOHN W. DOUGLAS,
Assistant Attorney General.

The SPEAKER. Without objection, the order will be recorded in the Journal and in the RECORD.

[U.S. District Court for the District of Columbia—Civil action No. 1583-85]

THE ALL-AMERICA PROTECTORATE, INCORPORATED, PLAINTIFF, v. LYNDON B. JOHNSON, INDIVIDUALLY AND AS PRESIDENT OF THE UNITED STATES OF AMERICA; MIKE MANFIELD, INDIVIDUALLY AND AS MAJORITY LEADER OF THE UNITED STATES SENATE; EVERETT M. DIRKSEN, INDIVIDUALLY AND AS MINORITY LEADER OF THE UNITED STATES SENATE; JOHN W. MCCORMACK, INDIVIDUALLY AND AS SPEAKER OF THE UNITED STATES HOUSE OF REPRESENTATIVES; CARL B. ALBERT, INDIVIDUALLY AND AS MAJORITY LEADER OF THE UNITED STATES HOUSE OF REPRESENTATIVES; AND GERALD R. FORD, INDIVIDUALLY AND AS MINORITY LEADER OF THE UNITED STATES HOUSE OF REPRESENTATIVES, DEFENDANTS

ORDER

Upon consideration of defendants' motion to dismiss and the memorandum of points and authorities in support thereof and in opposition thereto, and it appearing to the court that plaintiff lacks standing to maintain this action, that the complaint fails to raise a justiciable controversy, and that this court lacks jurisdiction to enter an order directing Members of the Congress to perform a legislative function, it is by the court this 14th day of September 1965,

Ordered, That defendants' motion to dismissal be and it hereby is granted, and that the action be and it hereby is dismissed.

J. SIRICA,

U.S. District Judge.

CERTIFICATE OF SERVICE

I hereby certify that service of the foregoing proposed order has been made upon the plaintiff by mailing a copy thereof to its attorney, Lovell W. George, Esq., 8015 Forsyth Boulevard, Clayton, Mo., 63105, on this 14th day of September 1965.

ARNOLD T. AIKENS,
Assistant U.S. Attorney.

MEDICAL LIBRARY ASSISTANCE ACT OF 1965

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, and in behalf of the gentleman from Missouri [Mr. BOLLING], I call up House Resolu-

tion 590 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3142) to amend the Public Health Service Act to provide for a program of grants to assist in meeting the need for adequate medical library services and facilities. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to reconsider.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and pending that, I yield myself such time as I might require.

(Mr. YOUNG asked and was given permission to revise and extend his remarks.)

Mr. YOUNG. Mr. Speaker, House Resolution 590 provides an open rule with 2 hours of general debate for consideration of H.R. 3142, a bill to amend the Public Health Service Act to provide for a program of grants to assist in meeting the need for adequate medical library services and facilities.

For some years concern has been expressed over the needs of medical libraries for expansion, renovation, and improved services. If these libraries are unable to meet the need for expanded facilities and services, much of the ever-increasing volume of knowledge and information in the health sciences will be inaccessible to many scientists.

Studies conducted in 1963, 1964, and 1965 indicate that medical libraries have been unable to stay abreast of the mounting medical and scientific literature.

The 1963 study indicated that the additional space needs of the 87 medical school libraries would cost an estimated \$100 million. Space needs reported by 79 medical schools in the 1965 questionnaire indicated a total need of over 2.5 million square feet, or an average per school need of 32,000 square feet.

The 1965 questionnaire also indicated a total need of over 1.3 million volumes or an average school need of 18,000 additional volumes and periodicals.

In addition to their needs for additional space and volume, the schools reported on their needs for support for cataloging, binding, and other instructional media or equipment. The average per school need for these other library resources is \$132,000.

The average medical school library would have to expend over \$1 million above expected budget allotments in the next 5 years to meet library needs as currently estimated. This does not include the additional costs of staffing, equipping, and maintaining expanded facilities

for the needed increases in volume holdings.

The purpose of H.R. 3142 is to establish a program of grants to finance the construction of medical library facilities, the training of biomedical librarians and information specialists, the expansion and improvement of medical library resources, research and development in medical library science, the support of special scholarly scientific projects, the establishment of regional medical libraries, and the establishment of regional branches of the National Library of Medicine.

Appropriations authorizations to carry out the purposes of the bill would total \$105 million over a 5-year period.

Mr. Speaker, I urge the resolution (H. Res. 590) be adopted.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, House Resolution 590 will provide for an open rule, with 2 hours of general debate, for consideration of H.R. 3142, to amend the Public Health Service Act to provide for a program of grants to assist in meeting the need for adequate medical library services and facilities.

The purposes of the bill are to establish a program of grants to finance the construction of medical library facilities, the training of biomedical librarians, the expansion and improvement of medical library resources, the establishment of regional medical libraries, and the establishment of regional branches of the National Library of Medicine. The program covers 5 fiscal years, ending June 30, 1970, at a cost of \$105 million.

Section 393 covers assistance for construction of facilities. The section authorizes the Surgeon General, upon application by any public or nonprofit institution, to make grants to help such institution in meeting construction costs of a medical library facility. The application must be recommended by the National Medical Libraries Assistance Advisory Board—whose membership is identical with the Board of Regents of the National Library of Medicine—and approved by the Surgeon General after making the following determinations: First, the construction is necessary to meet the needs of the area where it will be located; second, provisions of the Davis-Bacon Act with respect to rate of wages paid will be adhered to; third, the facility will be used as a medical library for at least 20 years; and fourth, that sufficient non-Federal funds are available to meet that share of construction costs and maintain the facility once it is operational. Priority is to be granted to applications for which the need is greatest. The Federal grant may equal 75 percent of construction costs. If the facility is not used as a medical library for 20 years, the Federal Government may recover its share of the project. An appropriation of \$10 million for each

to suppress the determination of any people to improve their lot in life. But I am greatly concerned that questioning the steadfastness of our Alliance for progress policy as a result of the Dominican situation may serve only to reinforce such doubts as may exist and give rise to new ones. That is why I speak today.

I would consider it a great mistake to shake the confidence of the people of Latin America in the desire of the United States to adhere to this basic policy and to work for the security of the hemisphere through collective responsibility and multilateral action by the organs of the inter-American system.

In this connection, the House of Representatives resolution passed Monday strikes me as particularly unfortunate. Indeed, if our policy were as stated in that resolution, the concerns of the Senator from Arkansas would have been borne out. But the State Department has denied that the House resolution presents U.S. policy.

Mr. President, how much time have I remaining?

The ACTING PRESIDENT pro tempore. Two minutes remain to the Senator from New York.

Mr. JAVITS. I thank the Chair.

Mr. President, the Senator from Arkansas, in his detailed discussion of the Dominican crisis, neglected to offer his suggestions on how the nations of the Americas should deal in the future with situations in which the Communist takeover of a Latin American Republic through aggression or subversion appears likely or imminent, while the House resolution supports an almost unlimited range of action, including unilateral action, which is not and should not be in accord with our Latin American policy.

As I made clear when the Senator from Kansas [Mr. CARLSON] and I introduced our resolution, I feel that collective action is the only wise and reasonable way to handle situations of this kind. The House of Representatives resolution supports essentially unilateral action. The resolution of the Senator from Kansas and myself, and the suggestions which I have made, are directed toward multilateral action. I believe that we should definitely go on record to that effect.

The applicable treaties of the inter-American system contain prohibitions against intervention in the internal affairs of the member states. Article 15 of the OAS Charter provides:

No state or group of states has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other state.

Article 17 of the charter provides further:

The territory of a state is inviolable; it may not be the object, even temporarily, of military occupation or of other measures of force taken by another state, directly or indirectly, on any grounds whatever.

But the Rio Treaty also contains provisions applicable to such situations. Article 6 of that treaty states:

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American state should be affected by an aggression which is not an

armed attack or by an extracontinental or intracontinental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the continent.

These provisions are broad enough to be applied to any situation in which it is collectively determined that the peace of the hemisphere might be endangered.

With the OAS legitimization of the Dominican intervention, by a 14-to-5 vote of the meeting of consultation of the OAS foreign ministers on May 6, the inter-American system rose to the test and met it. That system is sound, but it needs to be strengthened and given the means with which to act promptly and effectively in emergency situations.

Certainly there is room for dispute as to whether or not the U.S. assessment of the likelihood of Communist takeover of the Dominican revolution was justified. The Senator from Arkansas invokes the alleged failure of the United States to evaluate properly the possibility that the Communists supported, but were not likely to take over, the revolution. The Senator from Connecticut [Mr. DONN] points to the findings of the five Ambassadors of the other American Republics appointed by the OAS as a special committee to investigate the Dominican situation and other evidence to prove the contrary.

The ACTING PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. PASTORE. Mr. President, I yield 1 more minute to the Senator from New York.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. Mr. President, but this dispute may never be satisfactorily settled. What actually happened in April 1965 is a matter for history. Our real concern now must be our policy in the days and years ahead, and we cannot ourselves contribute to eroding confidence in our policy.

For that reason, I urge action on the resolution introduced by the Senator from Kansas and myself to assure the people of the Americas that our policies have not changed and that we continue to support their quest for social and economic advancement under free institutions.

It is for that reason that I have urged the State Department to get behind needed reforms in the inter-American system. If we act in the Senate on the resolution of the Senator from Kansas [Mr. CARLSON] and myself—which is a concurrent resolution—it will allow action by the other body, should the other body choose to act, thereby dealing with a rather disagreeable situation created by the resolution of the other body, which the State Department almost immediately denied represents U.S. policy.

What the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Connecticut [Mr. DONN], the Senator from Penn-

sylvania [Mr. CLARK], the Senator from Georgia [Mr. RUSSELL], and other distinguished Senators have done is to put us on the road to a challenge to make clear to the Americas that our policy is constant. Today, I have suggested a means by which we may effectively accept that challenge and put it to good use in the interests of peace, freedom, and the development of the Americas.

Mr. President, I am grateful to the Senator from Rhode Island for yielding to me.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. PASTORE. Mr. President, I yield 5 minutes on the bill to the Senator from Missouri [Mr. LONG].

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized for 5 minutes.

Mr. LONG of Missouri. Mr. President, during the past 20 years, the United States has made progress in the task of combating the grim conditions in which communism thrives—poverty, hunger, disease, and economic stagnation.

Our dollars have been encouraging economic development in countries which 20 years ago were called hopeless and "doomed forever to underdevelopment."

Today, the fires of freedom are burning. Through our assistance program, millions of people have been given an alternative to communism, and alternative to hopelessness and despair.

Children who might have died in infancy are today alive and in school because the United States sent dollars, doctors, and nurses to start village health programs.

Mr. President, the aid program we are considering today concentrates our economic aid in the few countries where it will do the most good. Around 72 percent of our military aid is going to 11 countries which face the day-to-day pressure of communism. These 11 countries border on the Communist bloc. Nearly 80 percent of our economic aid is going to only 11 countries which have the ability and the desire to lick their most pressing problems.

Two-thirds of our development loans are going to countries which are using substantial amounts of their own money and resources. For every American dollar the major U.S. aid countries allocate an average of \$6 from their own resources.

The appropriations which we are considering today will be largely spent in the purchase of American goods. Over 85 percent is tagged specifically "to be spent only in the United States."

Four years ago, just 40 percent of our aid dollars was used to buy U.S. products. In 1960, only 26 million U.S. aid dollars were spent buying American farm and industrial machines. Last year however, 170 million U.S. aid dollars were spent

for U.S. machines. Last year, five times as many U.S. aid dollars were spent on American chemicals than were spent in 1960. Four times as many U.S. aid dollars were spent on American fertilizer than were spent in 1960.

Much of this aid money therefore helps to build U.S. export trade. Aid program purchases in the United States build trade ties for the future. Take for example the results of our postwar aid to Japan and Germany. These two countries, once devastated and impoverished, are today among our biggest trading partners and, may I add, these countries are more and more taking on themselves the burden of assisting less-developed peoples.

We have made great strides in getting other strong free world countries to build their aid programs. Today over one-third of all free world aid comes from our allies. Each year they increase their share.

The great question before the Senate today is this: Are we going to keep fighting communism with American dollars and American know-how? The answer we give is basic to the future of the free world. If we do not fight communism with American dollars and exports today, we may miss an opportunity to prevent Communist aggression, we may miss an opportunity to prevent another Vietnam tomorrow.

I believe, if we do not fight communism with American dollars, that we may have to fight communism with more and more American boys. I much prefer to spend an American dollar instead of the life of an American boy.

Let us continue the aid program begun by President Harry Truman. Just as Harry Truman's Marshall plan aid turned back the tide of communism in Turkey and Greece, so today we must turn back the Communist tide in other countries.

Mr. President, I support the foreign assistance appropriation bill of 1966 because it will provide a vital tool for the cause of peace, freedom, and prosperity around the world.

THE MOST IMPORTANT WAR

Mr. McGOVERN. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. Mr. President, I yield 15 minutes to the Senator from South Dakota, to be taken out of the time of the opposition. I have received permission to this effect from the minority leader, the Senator from Illinois [Mr. DIRKSEN].

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized for 15 minutes.

Mr. McGOVERN. Mr. President, the most challenging crisis for the rest of this century will be the accelerating race between food and people. We are faced with the specter of widespread hunger and starvation on a scale the world has never before known unless we begin today to plan for tomorrow's food needs. The nations of the earth must do more than they are now doing to meet future food demands or major starvation will

be the most painful fact of life on this planet within 10 years.

Even today, human hunger is a much more serious problem than is generally realized. Half a billion people suffer from inadequate quantities of food. Another billion subsist on improperly balanced diets, most notably a shortage of protein foods. Three million children die each year from diseases induced by malnutrition. Countless human beings go through life permanently crippled physically, mentally, and emotionally because of inadequate protein, vitamins, and minerals in their formative years. The ever present companions of malnutrition—lethargy, disease, and premature death—breed a vicious circle of listless human beings powerless to break out of their misery and yet capable of breeding more misery for their children and for generations yet unborn.

During 1961 and 1962, when I was privileged to serve as food-for-peace director for the late President Kennedy, I developed a growing conviction that the most overwhelming paradox of our time is to permit half the human race to be hungry while we struggle to cut back on surplus production and overeating. Science has broken the space barrier, but not the bonds of hunger. Today's hunger, however, is only a mild indication of the enormous food gap that looms on the horizon.

Writing in 1789, Dr. Thomas Malthus, of England, observed that man's capacity to reproduce his kind was so much greater than his capacity to produce food that population would soon exceed available food supplies. Starvation would then be man's lot unless his numbers were kept down by war, pestilence, or other drastic developments.

I think I may fairly make two postulates—

Wrote Malthus.

First, that food is necessary to the existence of man. Secondly, that the passion between the sexes is necessary, and will remain nearly in its present state.

As for the hope expressed by his contemporary, Mr. Goodwin, that "the passion between the sexes may in time be extinguished," Malthus observed:

Toward the extinction of the passion between the sexes, no progress whatsoever has hitherto been made. It appears to exist in as much force at present as it did 2,000 or 4,000 years ago.

Assuming then, my postulate as granted. I say—

Continued Malthus—

that the power of population is indefinitely greater than the power in the earth to produce subsistence for man.

Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio. A slight acquaintance with numbers will show the immensity of the first power in comparison of the second.

Although it has been intellectually respectable to scoff at the predictions of Malthus in view of the unforeseen increases in food production during the past 150 years, his warnings may yet prove to be valid. Certainly, one cannot look at the projection of current food production and population growth with-

out a sense of genuine alarm for the future. Multitudes of people are now on a collision course with starvation.

What are the facts behind this disturbing prospect?

Fact No. 1: The population of the world is now accelerating at a faster rate than is food production. It has taken the entire history of the human race from the Garden of Eden to the year 1960 to reach a global population of 3 billion people. But the most careful projection indicates that by the end of this century—35 years hence—the population of the globe will be double its present size, or 6 billion. What requires thousands of years to achieve will be duplicated in 35 years.

These figures testify to the marvels of modern medicine, sanitation, and scientific achievement in extending human life. But they also present an arresting outlook because they are not accompanied by a proportionate increase in food production. Because food production is now lagging behind a burgeoning world population, there are more hungry people in the world today than any previous time in recorded history.

Fact No. 2: The prospects for substantial increases in food production in the areas of greatest need, most notably Asia and Latin America, are not encouraging. In three regions of the world—first, the United States and Canada; second, Western Europe; and, third, Australia, New Zealand, plus parts of Argentina and southeast Asia—there are adequate food supplies. These regions have utilized modern technology, an educated rural population, concerned government economic incentives and fertilizer, pesticides, hybrid seed and other innovations to increase the productivity of the land faster than their population growth.

But the combined population of these food surplus regions includes only one-fifth of the world's people. The other four-fifths live in Asia, Latin America, Africa, and the Middle East. These areas are increasing their populations faster than either the supply of arable land or the productivity of their presently cultivated acreage. There is today only 0.5 of an acre of cropland per person in Asia, as compared to 1.2 acres per person in the United States and Canada—a ratio three times more favorable for North America than for Asia.

This imbalance between people and arable land is greatly complicated by two other factors. First, underdeveloped regions, such as Asia—with the exception of Japan—have not significantly increased the productivity of their cultivated acreage. Primitive farming methods, improper irrigation techniques, the lack of an educated rural population, inadequate credit and land ownership structures, ineffective political leadership, the absence of rural extension services, a shortage of capital, the lack of farm-to-market roads or a cash market for produce, and the generally low priority which many countries have attached to rural development—all of these deficiencies have held agriculture in a primitive state characterized by static productivity in most parts of the world.



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Senate

(Legislative day of Monday, September 20, 1965)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Hon. DONALD RUSSELL, Senator from the State of South Carolina.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, high over all, pilgrims of the night, we would reach for Thy hand in the darkness. Even as the busy tribes of flesh and blood, with all their cares and fears, are carried swiftly onward by the flood of this tempestuous day, lead us who seek Thy face to still waters and green pastures where in some shrine of the spirit we may be assured of those values which are excellent and permanent and which assert their sovereignty in all life's changing scenes.

Etch deep in our hearts the suffering and pain of shepherdless multitudes, so wearied by the burden and the stress of life. Grant us such a vision of our needy world in this great day of our opportunity as shall make us instant and eager sharers with Thee in its redemption. Redeem our failures, pardon our transgressions, transform every task into a throne of service and crown this day of labor with the benediction of Thy "well done."

We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 23, 1965.
To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DONALD RUSSELL, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. RUSSELL of South Carolina thereupon took the chair as Acting President pro tempore.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS FOR 1966

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes under the bill. It is my understanding that the floor manager of the bill will then yield 10 minutes to the distinguished Senator from New York [Mr. JAVITS].

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, September 22, 1965, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on September 21, 1965, the President had approved and signed the following acts and joint resolutions:

S. 20. An act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes;

S. 135. An act for the relief of Elizabeth Kam Oi Hu;

S. 136. An act for the relief of Angel Lagmay;

S. 454. An act for the relief of Lee Hyang Na;

S. 521. An act for the relief of Maria Gioconda Femia;

S. 828. An act for the relief of Cha Mi Hi;

S. 879. An act for the relief of Kim Sa Suk;

S. 971. An act for the relief of Mrs. Elena B. Gutra;

S. 1084. An act for the relief of Shu Hsien Chang;

S. 1170. An act for the relief of Chung J. Clark;

S. 1186. An act for the relief of Kris Ann Larsen;

S. 1209. An act for the relief of Specialist Manuel D. Racelis;

S.J. Res. 89. Joint resolution extending for 2 years the existing authority for the erection in the District of Columbia of a memorial to Mary McLeod Bethune; and

S.J. Res. 102. Joint resolution to authorize funds for the Commission on Law Enforcement and Administration of Justice and the District of Columbia Commission on Crime and Law enforcement.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. MANSFIELD, and by unanimous consent, all Senate committees were authorized to meet during the session of the Senate today.

THE CALENDAR

On request of Mr. MANSFIELD, and by unanimous consent, the following calendar measures were considered and acted upon as indicated, and excerpts from the reports thereon were ordered to be printed in the Record, as follows:

SOOK JA KIM, AI JA KIM, AND MIN JA KIM

The bill (S. 2126) for the relief of Sook Ja Kim, Ai Ja Kim, and Min Ja Kim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

23915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, *Book Ja Kim, Al Ja Kim, and Min Ja Kim* shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 20, 1959.

EXCERPT FROM THE COMMITTEE REPORT
(No. 759)

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiaries to file petitions for naturalization.

TONY BOONE

The bill (H.R. 2358) for the relief of Tony Boone was considered, ordered to a third reading, read the third time, and passed.

EXCERPT FROM THE COMMITTEE REPORT
(No. 761)

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child adopted by citizens of the United States. The bill also waives the limitation of two orphan petitions.

KSENIJA POPOVIC

The bill (H.R. 2772) for the relief of Ksenija Popovic was considered, ordered to a third reading, read the third time, and passed.

EXCERPT FROM THE COMMITTEE REPORT
(No. 762)

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child adopted by a citizen of the United States.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

Mr. PASTORE. Mr. President, I yield 10 minutes on the bill to the senior Senator from New York [Mr. JAVITS].

CONFUSION OVER UNITED STATES
LATIN AMERICAN POLICY MUST
BE ENDED

Mr. JAVITS. Mr. President, I shall speak today about the debate that has been going on with respect to the actions of the United States in the Dominican Republic last April. In view of my long-standing concern with the problems of Latin America, I feel it is very important to make these comments today, since the debate on the subject is unfortunately creating confusion about what our policy toward Latin America really is.

The main point, I believe, that has failed to emerge clearly from this discussion is that U.S. policy with respect to Latin America has not been changed by the action taken in the Dominican Republic, but remains the policy of the good neighbor, the policy of the good partner, the policy of the Alliance for Progress.

I suggest there are two ways in which this point needs to be made and emphasized. It is especially essential—and this I have from personal knowledge and contacts—to reassure our millions of friends in Latin America.

First, I believe that we should act now in the Senate on Senate Concurrent Res-

olution 56, which I introduced with Senator CARLSON on September 2.

Second, I believe that we should now sponsor certain reforms in the Inter-American system which the Dominican incident and the ensuing debate indicate to be desirable.

First, as to the resolution which I sponsored with Senator CARLSON, this resolution would reaffirm the faith of Congress in the Alliance for Progress as the framework for nonviolent, but accelerated, social and economic development of Latin America; would seek to improve the authority and capability of the inter-American system to deal with Communist or ultra-rightist subversion or efforts to take over democratic governments; and would encourage and support common efforts to strengthen constitutional, democratic, and progressive government in the Americas.

I point out that this resolution now becomes supremely important because on Monday last, the House of Representatives passed a resolution which, in effect, is being construed throughout Latin America as supporting unilateral action by any nation of the hemisphere to combat Communist subversion within the territory of another nation. Right or wrong, that is what Latin America is thinking and saying about it.

The State Department has already rebutted the proposition, but, nonetheless, the resolution of the other body remains on the books and gives an added impetus to the action required here in the Senate to counter that impression. The resolution which I have suggested, which has already been introduced, is a very suitable framework for consideration by the Committee on Foreign Relations to that effect.

Now, as to reforms of the Inter-American system, I suggest the following:

First. The representatives to the Council of the Organization of American States in Washington should be vested with authority equal to that held by ambassadors to the United Nations. This would allow the representatives to the Council to act with greater authority and dispatch without being forced into inaction while they seek instructions from their respective capitals.

Second. Improved procedures for the prompt OAS handling of emergencies should be established.

Third. And this is very important, Mr. President—that a representative of the Organization of American States should be posted as an observer in each of the capitals of the American States.

There are only 19 other capitals. It makes sense to have an OAS observer in each, so that an immediate report as to any revolutionary or subversive situation may be obtained from an OAS representative who is there all the time and is acquainted with the local situation.

Fourth. Serious efforts should be made to bring Canada into the Inter-American system, to give completeness to hemispheric action and to provide an added measure of confidence in the system. I think Canada can be of great assistance to the hemisphere as a bridge between the United States, a great country called "the colossus of the North," and the Latin American countries, and would be

a very fine addition to the totality of the inter-American system.

Now a word about the debate which was led off by the Senator from Arkansas [Mr. FULBRIGHT], in his now famous and highly controversial discussion of our actions in Santo Domingo. He said much with which I feel I and many of my colleagues can agree about the desirability of the United States to aid in bringing about much needed social, economic, and political change in Latin America; but he questioned whether our action in Santo Domingo did not indicate a change in our policy toward Latin America.

I feel that in view of the debate concerning Senator FULBRIGHT's speech, and in view of the resolution to which I have already referred adopted in the House last Monday, it is particularly necessary for Congress to clear up the confusion as to our policy that these developments have undoubtedly caused in Latin America. We must remember that the confusion was created by what took place in Congress, not in the executive department, and therefore it is something we should contribute to clearing up promptly.

Senator FULBRIGHT's central thesis in discussing the Santo Domingo action was that "the administration acted on the premise that the revolution was controlled by Communists—a premise which it failed to establish at the time and has not established since."

Therefore, he continues—

Since just about every revolutionary movement is likely to attract Communist support, at least in the beginning, the approach followed in the Dominican Republic, consistently pursued, must inevitably make us the enemy of all revolutions and therefore the ally of all the unpopular and corrupt oligarchies of the hemisphere.

From that he concludes:

Another theme that emerges from the Dominican crisis is the occurrence of a striking change in U.S. policy toward the Dominican Republic and the possibility—not a certainty, because the signs are ambiguous, but only the possibility—of a major change as well in the general Latin American policies of the United States.

The Senator from Arkansas [Mr. FULBRIGHT] believes that our policy toward Latin America should continue to be based on support for the principles and goals of the Alliance for Progress on advancement of the cause of popular democracy, and on the viewing of reform movements—even reform revolutions if democratically based and directed—as in basic accord with the interests of the United States. However, the Senator asserts that our handling of the Dominican crisis called forth hoary historical ghosts of U.S. intervention, lent credence to the idea that the United States is the enemy of social revolution in Latin America, and created serious suspicions that our policy has changed.

I do agree with the Senator from Arkansas that our true friends in Latin America must not be left in doubt that our policy remains unchanged and that their social revolutions will have our sympathy and support. We are a Nation created by revolution, we can understand revolution, and we have no desire

sixteenth century, these positions were overrun by a further Muslim conquest from the northwest—that of the misnamed Moguls.

Islam's adherents, thus deposited widely over India, came to aggregate about a fourth of a population preponderantly Hindu. They were concentrated more in the north and formed majorities only in the northwest and northeast extremes. Great ethnic, lingual, and regional differences divided them.

Besides being heavily outnumbered, Muslims were generally at a competitive disadvantage in important vocations. A main exception was the military profession. The Bengalis aside, Muslims generally did well at soldiery. They also enjoyed the prestige of religious identity with the establishments ruling over large portions of the subcontinent at the Mogulate's zenith and through its long decline. But with the Mogulate's final collapse and the advent of the British raj in 1857, Muslim thought had to meet the problems of a disadvantaged and highly self-conscious minority. The response was to emphasize connections with the great body of Islam outside the subcontinent. Insecurity was redressed by invoking a community, part mystical and part real, epitomized in the caliphate which combined religious with temporal authority in the Turkish sultan.

Humiliation of the caliphate with the defeat of Turkey in World War I and the secular-minded Atatürk's subsequent outright abolition of the institution amounted to a spiritual amputation for the subcontinent's Muslims. A movement developed to restore the caliphate as their anchor of significance. Meanwhile, eventual independence for India, prefigured in Britain's grant of a small measure of self-rule in the 1919 Government of India Act, became a growing prospect. The caliphate movement found a new name as the Muslim League and a new purpose in demands for autonomy, and then for separate statehood for Muslims in the event of independence for India. In dreams spun by this movement, a Muslim state in the subcontinent, as the Islamic world's most numerous and powerful, would be looked to for leadership by Muslims everywhere and would thereby gain an importance rivaling or even excelling India's. But there were secular considerations too. Proponents of Pakistan sought a polity of their own so as to escape political subordination to a majority from which they felt alienated.

Specifically, two factors appear to have been indispensable in the resulting emergence of Pakistan. One was the driving personality of Mohammed Ali Jinnah—a man of no strong religious impulse but of implacable resolve not to be ruled by Hindus. The second was a determination to preserve the professional identity of Muslim officers fearful of being submerged or eliminated when the British Army in India should become the Indian Army.

The new state of Pakistan took form in two territories, with a population differentiated in language, personality, and outlook. A thousand unfriendly Indian miles separated them. A governing apparatus had to be assembled from scratch: Trained talent was woefully short, for much of the Muslim component of the Indian civil service opted for India. The new army was infected by a conspiracy hatched between Communists and hothead officers. The founding father soon died. His lieutenant was assassinated. No unifying figure was at hand. The economy was in a bog. Pakistan's survival through its initial years seemed improbable.

External relations gave no comfort. The anticipated ascendancy among Muslim states proved a pipedream. Pakistan seemed outclassed. Besides its numerical advantage, India had the prestige of an ancient historic name and a world renowned leader, Jawaharlal Nehru. Pakistan's name was synthetic and unfamiliar, and its leaders were

scarcely notable even at home. The most bedeviling frustration related to a dispute over a former princely state in the Himalaya.

Under agreed principles for dividing up the subcontinent, princely states would adhere to Pakistan or India at their rulers' option—a provision included at the instance of the negotiators for Pakistan-to-be, with an eye to Deccan Hyderabad, with its rich Muslim Nizam in sway over a mostly Hindu populace. They expected to finesse the situation in Kashmir, where for a century a Hindu dynasty had been misruling a mostly Muslim populace. These expectations went awry. The Indians preempted Hyderabad in force. Kashmir's shaky maharaja, who had probably nursed futile dreams of autonomy, summoned India's help against armed intrusions from Pakistan and signed an accession to India, only to be soon displaced for unfitness.

Pakistan and India tottered to a mountain war beyond their means. Then a U.N. commission arranged a cease-fire under continuing international supervision. The outcome left India's Army holding the bulk of the contested area, including the coveted Vale of Kashmir, and Pakistan's forces in the margins. India, as well as Pakistan, agreed or at least said it agreed to a plebiscite rather than force as a means for settlement. For the time being, both states refrained from annexations within their lines. Perhaps India's declared intentions were sincere. Perhaps its design was to delay long enough to predetermine, if possible, a favorable tally. In any event, India soon began to renege, especially after its 1952 elections brought a nationalist upsurge uncompromisingly against any concession to religious identities within India and for annexation in Kashmir. Thereafter India shifted ever more unequivocally to a thesis holding the status of Kashmir to be a domestic concern, a settled issue, no business of Pakistan's. Obviously, Pakistanis felt that they were being patronized and scorned.

A half dozen years after independence, Pakistan's need of something to anchor to outside, of some substitute for the extinct caliphate, was desperate. It was then, in the wake of stalemate in Korea, that the United States began shopping for Asian members for an alliance hopefully designed to ward off further attempted Communist conquests in southeast Asia. Pakistan responded. Its Foreign Minister tried to get the Manila Treaty amended to focus it against India. Secretary of State Dulles said no; the pact would be confined to anti-Communist purposes. Otherwise, the Senate would not concur. Pakistan signed on as a recruit anyway. Its new ally was a big country and a big spender. Pakistan would get aid to quicken its economy and to expand and to update its armed forces. U.S. military aid would be subject to provisos requiring the concurrence of Washington for its use against foreign enemies. The insistent neutrality of the United States on issues of high moment to Pakistan might be modified in time and by persuasion. At least, Pakistan could so hope. It joined another regional pact, sponsored but not adhered to by the United States, and in 1958 the United States came through with a bilateral agreement specifying concern for Pakistan's security. Pakistan's forces made a good showing with the aid they received. In return, the United States was using Pakistani locations for its strategic observations.

Perennially petitioning at the U.N. and elsewhere, Pakistan continued to elicit from others, including its big ally, homilies about negotiation and settlement of its dispute with India—as if the solution depended on trading parcels of territory, distributing waters, and adjusting local anomalies. But Kashmir stood as a classic instance of an unnegotiable issue, because it bears on the very raison d'être of both parties.

India is a congeries of faiths—Muslim, Christian, Buddhist, Jainist, Parsi, and Sikh, as well as Hindu, and the Hindu system itself is riven into a complex of exclusory castes. India could not exist as a modern state except on a secular basis. India must fight for its national life against ever-latent disintegrative forces. It has small margins. It professes to see a mortal risk in making concessions to the idea of a religious basis for allegiance. But Pakistan's existence rests on religious identity, which compels it to uphold self-determination for Kashmir. Pakistan-to-be was fickle to its own premise in the 1947 gambit on the right of princes to opt for their subjects. In any event, a choice exercised by an unfit, precarious ruler seems a sorry basis on which to foreclose such an issue. Each disputant understands fully, even if it cannot accept, the other side's position. Further parleying became pointless long ago.

Short of being forced into submission, it is hard to see how either could accept terms acceptable to its adversary. Probably neither regime could concede and survive. Pakistan could not possibly back down. It could only trouble the issue along, growing increasingly restive but still unable to break out of a status quo in which India held the advantages. The possibility of an alternative approach, in explicit or tacit conjunction with Red China, was probably long entertained by the Pakistanis. I so surmised on observing the lionizing of Chou En-lai in Karachi in December 1956.

Three years ago India announced with great flourish a decision to oust the Chinese from a disputed zone on her borders. The Chinese responded militarily with shattering effect on a limited front. Without even waiting to get terms signed, the United States began rushing military aid to India. It made no stipulations about Kashmir. One can suppose India would not have budged anyway on Kashmir. Subsequently, a number of visiting U.S. emissaries made ritualistic appeals for the disputants to negotiate some more. India stuck to its position. So did Pakistan.

For Pakistan the United States must have lost all its value as surrogate to the caliphate, at the moment of beginning military aid to India. Pakistan responded by doing the analytically logical thing, warming up to China. Whatever terms, if any, may have been agreed between them, Pakistan now has a partner with whom it is allied respecting India. Boxed in, India finds it difficult to marshal forces against Pakistan. My impression from afar is that Pakistan's moves in the initial stages of the renewed war have reflected comprehensible military purposes, but that India's have been frantic and feckless, as when bombers were sent against East Pakistan cities, with no probable result except solidifying Pakistan's Bengalis behind a war for which they otherwise might have scant enthusiasm, or when an ill-prepared Indian thrust was made toward Lahore.

Pakistan, economically more of a going concern than formerly, has been doing relatively better than India. It might well make it, militarily preempting the position in Kashmir and forcing India's regime beyond its political resources. The disintegrative effect on India would delight China. The effect on U.S. interests would be deleterious. It would be bad to have it demonstrated that an Asian country, trammelled while allied with the United States, can score a large success after shifting its alignment to China.

IF THERE IS NO CEASE-FIRE SOON

(By Stephen Barber)

Neither the Indian nor the Pakistani armed forces have the capacity to sustain a long war against the other. Although both have domestic munitions plants, and India has a fledgling aircraft industry, and both have substantial accumulations of American, Brit-

ish, French, and Russian materiel, a point must soon be reached where each side will be forced to husband its resources. Short of some master-stroke, and despite the fact that the Indian army comprises 17 divisions against Pakistan's eight and that in population terms the balance is $4\frac{1}{2}$ to 1, the regular forces are unlikely to achieve more than a stand-off.

But when that happens, if not before, irregulars may very well keep up the fight; more alarmingly, communal violence is liable to break out on a 1947 scale, when between 500,000 to 1 million perished.

Communalism is the curse of the subcontinent. It is not limited to Hindu-Moslem antagonism. Sikhs in the Indian Punjab, who were driven out of their ancient settlements around Lahore in 1947 almost to the last man, have never got along well with their Punjabi Hindu neighbors. This has led to bloody clashes.

The language issue in India has led to riots again and again—the most recent being in South India this summer where Madrassais objected violently to the imposition of Hindi in place of English as the nation's official language.

New Delhi has run into similar troubles in Assam, and the volatile Bengalis have constantly been rioting about something—whether politics, bread, religion, or language. In caste-ridden India, it has been enough to set off bloody uproars for an untouchable to draw water from a village well, thus defiling it in the eyes of those higher in the Hindu scale.

As if that were not enough, clashes have regularly taken place between Indians and so-called tribals—primitive hill folk. For years the Indian army and air force has tried and failed to subjugate the Nagas, who demand independence from Delhi. This has soaked up battalions of troops.

India's 50 million Moslems form one-ninth of its population; the Moslem pockets isolated in a Hindu mass are an easy mark. It is hard to say whether they are more vulnerable in the big cities, such as Delhi, Calcutta, and Bombay, where Moslems are apt to be shopkeepers and artisans and are better off than their Hindu neighbors and on that account alone a target for hatred, or in isolated village communities.

For 17 years the armed forces on both sides have been preparing for this war. If it now ends in a standoff, as I believe it must, what happens to the reputations of the military? Could Field Marshal Ayub Khan survive as President? And if not, what will follow him? Obviously for the moment the armed forces loom large on the New Delhi scene. But they took a nasty knock in terms of popular prestige in the Himalayas when they were put to flight by the Chinese nearly 3 years ago. If they cannot now inflict a clinching

defeat on Pakistan, one wonders what their title to leadership will be.

The longer the war goes on and the more the threat gathers momentum of its degenerating into interreligious knife-play by undisciplined fanatics on a wide scale, the more dangerous the entire picture becomes.

Anyone who has mixed with educated Pakistanis and Indians over the age of 40, soldiers or civilians, notes that they rub along amicably enough together just so long as Kashmir is not mentioned. They are products of the same school, figuratively and often literally. The tragedy is that so many of these folk now stand a very good chance of being swept aside.

There is going to be a well-nigh irresistible tendency in both camps, of course, to blame Britain and America for the entire calamity. It may be academically interesting for military experts to see whether the U.S. Patton is really a better tank than the British Centurion or the Hawker Hunter more maneuverable than the Lockheed Lightning, but you can take it for certain that the West will catch it in the neck either way. The chorus will be: "You let us down."

Attempts by the American Congress to apply pressure by cutting off civilian aid along with military to both sides, which was voted down on President Johnson's say-so, will certainly be remembered as attempted blackmail. Aid to both has been frozen.

For all these reasons, then, I foresee the upshot of this war as being the emergence of a new India-Pakistan. New leaders will appear, and unless we are very lucky, careful or both, the prospect is that they will be an even more prickly lot to deal with.

The odds look to me about even as between military dictatorship and a Marxist-based takeover. The only thing that can stop this, and save the existing power elite in both countries, is to agree on a cease-fire while each enjoys sufficient domestic prestige to hang on. But at this writing the chances of such a recourse to reason and self-interest do not look good.

THE USES OF MILITARY AID

(Testimony before the Senate Foreign Relations Committee, May 6, 1963)

Senator GORE. I find it difficult to defend giving a vast amount of military assistance to Pakistan and then providing economic aid to India with which she buys Canberra bombers. We are paying the bill on both sides.

Secretary of Defense McNAMARA. This defense, of course, is not against India. This is allocated to Pakistan for defense against Russia and China.

Senator GORE. Well, that may be your purpose, but our official who is there with the program day to day says that insofar

as the Pakistanis are concerned, they want it as armament against India.

Secretary McNAMARA. Well, we don't agree with them.

Senator GORE. But you give it to them, nevertheless, and they are the ones who will use it not you.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. PASTORE. Mr. President, I yield myself whatever time may be necessary to make an opening statement on the bill.

Mr. President, the foreign aid and related agencies appropriation bill for fiscal year 1966, which is now before the Senate, recommends appropriations of new obligational authority in the amount of \$3,907,188,000. This amount is \$281,735,000 under the budget estimates and \$94,285,000 under the amount allowed by the House.

In reporting this bill to the Senate, the committee took into consideration the will of the Senate when it acted upon the authorization bill in the first instance and approved the sum of \$3.243 billion for title I of that bill, relating to economic and military assistance. In comparison with the ceiling of \$3.243 billion in the authorization act as it passed the Senate, the committee total for title I is \$3.193 billion, or \$50 million below the Senate authorization ceiling. This recommendation of \$3.193 million for title I, "Economic and military assistance," is \$92 million below the House allowance and \$266,470,000 under the amounts requested in the budget.

A summary of the bill, printed on page 2 of the committee report, sets out the comparisons of the three titles of the bill, including the budget estimates, the bill as it passed the House, and the amounts recommended by the Senate committee. I ask unanimous consent, Mr. President, to have this table printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Summary of the bill

| Title | Item | Budget estimates (amended) | Bill as it passed House | Recommended by Senate committee | Increase (+) or decrease (—), Senate bill compared with— | |
|------------|-----------------------------------------------------|----------------------------|-------------------------|---------------------------------|----------------------------------------------------------|-------------------------|
| | | | | | Budget estimate | Bill as it passed House |
| I | Foreign assistance..... | \$3,459,471,000 | \$3,285,000,000 | \$3,193,000,000 | —\$286,470,000 | —\$92,000,000 |
| II | Foreign assistance (other)..... | 726,452,000 | 716,453,000 | 714,188,000 | —15,265,000 | —2,265,000 |
| III | Export-Import Bank of Washington (limitations)..... | (1,190,177,000) | (1,190,172,000) | (1,190,172,000) | | |
| Total..... | | 1,189,922,000 | 4,001,453,000 | 3,907,188,000 | —281,735,000 | —94,265,000 |

Mr. PASTORE. For "Technical cooperation and development grants" under title I, the committee has concurred with the House recommendation of \$202,355,000, which is \$16,645,000 under the budget request. The funds provided hereunder will be used principally to hire experts and technicians to help less-de-

veloped nations help themselves in such fields as education, health and sanitation, communications, transportation, and public administration. These funds also finance ocean freight charges on relief shipments by approved American nonprofit voluntary agencies.

The appropriation item, "American

schools and hospitals abroad," has been recommended at the budget figure of \$7 million, which is the same as the House allowance. This is a reduction of \$9,800,000 under the 1965 appropriation, occasioned largely by the completion of financing for the new medical center at the American University at Beirut.

For "International organizations and programs," an appropriation of \$144,755,000 is recommended, which is \$800,000 under the budget estimate. Under this appropriation, funds are provided to permit the continued participation of the United States in the following United Nations and other international programs:

| | |
|---------------------------------------------------------------------|---------------|
| U.N. expanded program of technical assistance and Special Fund----- | \$65,000,000 |
| U.N. technical and operational assistance to the Congo---- | 5,000,000 |
| U.N. relief and works agency for Palestine refugees----- | 15,200,000 |
| U.N. Children's Fund----- | 12,000,000 |
| U.N. Food and Agriculture Organization—world food program----- | 2,000,000 |
| International Atomic Energy Agency—operational program----- | 1,000,000 |
| Indus Basin Development Fund----- | 43,100,000 |
| International Secretariat for Volunteer Service----- | 120,000 |
| World Health Organization, medical research----- | 100,000 |
| U.N. peacekeeping: U.N. Emergency Force (Near East)--- | 835,000 |
| U.N. Training and Research Institute----- | 400,000 |
| Total----- | \$144,755,000 |

Two of these—World Health Organization, medical research; and U.N. Training and Research Institute—are new cooperative activities designed to promote the dissemination of information on cancer research and to encourage research in promising areas, in the first instance, and to provide advanced training for present members of the U.N. Secretariat, as well as for citizens of new nations for service with the U.N. or with their own national administrations, in the latter case.

The next item in title I is "Supporting assistance." For this item, the committee has recommended an appropriation of \$369,200,000, which is the same as the House allowance but \$80 million under the budget estimate.

Supporting assistance is economic aid which is employed to advance and protect U.S. national security and foreign policy objectives by assisting those nations which need help in maintaining their defensive forces against Communist expansion and in preserving their economic and political stability under such pressures. The objective of supporting assistance is to move a country out of this aid category as rapidly as conditions within the country permit. Nearly 90 percent of the aid under this appropriation will be concentrated in four countries: South Vietnam, Laos, Korea, and Jordan; and about half of this will go to Vietnam alone.

Over the past decade there have been three phases through which a number of countries have moved in recovering from political and/or military upheavals with external help. In the first phase, external security and a minimum of internal law and order are established. In the second, political and economic institutions are strengthened and the economy is stabilized. In the third phase, economic growth picks up speed, and dependence on extraordinary assistance is

gradually reduced and then eliminated. Good illustrations of countries which have moved from one phase to another are Greece and Taiwan. While these countries depended heavily upon supporting assistance in the past, they are no longer recipients of such aid.

For the "Contingency funds"—both general and southeast Asia—the committee recommends the full budget estimate, \$50 million in the first instance, and \$89 million for southeast Asia. These funds are necessary for the successful attainment of the total objectives of the foreign assistance program. They are used to meet urgent and unforeseen needs, or needs which could not be defined with reasonable accuracy at the time the budget estimates were presented to the Congress. In the pending bill, the \$89 million for southeast Asia is a case in point. On June 3, in a budget amendment, the President requested this sum for mutual defense and development programs in southeast Asia. The full amount was authorized by the Congress in Public Law 89-171, and the committee has concurred with the House in allowing the full estimate.

Contingency funds are used in several different types of situations. First, there are the cases in which there is an urgent need to expand assistance to a country, the security of which is threatened by new or intensified Communist attack, threat, or subversion. Past examples of this type of use have occurred in both Laos and Thailand.

The second type of situation, and for which by far the most frequent use of the contingency fund is made, is to alleviate conditions of suffering wrought by earthquakes, floods, or other disasters.

The third type of situation is in those cases where unexpected economic or political crises occur and where prompt economic aid—even though it may not meet the criteria of development assistance—must be used to protect both the short- and long-run U.S. interests in the country aided. Thus, whether it be used for preventing Communist infiltration, to relieve people afflicted by disaster, or to protect the U.S. interests in a particular country, there is no question that a prompt and flexible U.S. response in meeting a legitimate assistance need has been attained through the use of the contingency fund.

Under the Alliance for Progress, there are two separate appropriation items: First, "Technical cooperation and development grants," and second, "Development loans." For "Technical cooperation and development grants," the committee has recommended \$75 million, the same as the sum contained in the House bill. For "Development loans," the sum of \$435,125,000 has been approved, which is \$10 million below the House allowance and \$60 million under the funds requested in the budget. Together with the \$29,686,000 in unobligated balances and other funds which will be available, the committee recommendation of \$435,125,000 will provide a program of \$477,811,000.

The Alliance for Progress record makes it clear that the performance by the United States and Latin America requires mutual fulfillment of Alliance

projects. United States aid to Latin America is going to those countries which are taking the necessary steps to effect social, land, and tax reforms, and which are employing the necessary self-help measures. While there is much to be done by many of the countries in Latin America along these lines, testimony presented to the committee indicated that there is visible evidence of progress in most Latin American countries which have committed themselves to the policies, reforms, and improvements developed under the programs of the Alliance for Progress.

For "Development loans, worldwide," the committee has recommended \$593,225,000, which is \$82 million below the House allowance and \$187,025,000 below the estimates for fiscal year 1966. However, it has been determined from recent information that \$91,292,000 of unobligated 1965 funds will be carried forward into fiscal 1966, and this, together with the new funds recommended and \$60 million to be derived from receipts, reimbursements, and estimated recoveries will provide a total program availability of \$744,517,000.

Under this item in the bill, the House language prohibited use of development loan funds to implement section 205 of the authorization act. This language has been deleted by the committee and, in lieu thereof, the committee has provided that not to exceed 10 percent of the development loan funds may be made available to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation for use in accordance with laws governing U.S. participation in such institutions. The Agency for International Development proposes to use this authority on a matching basis so that any additional funds the United States contributes to these institutions would be accompanied by an increase in the funds contributed by others. This could be a useful instrument to persuade other donor countries to increase their levels of aid.

For the last two items funded under "Economic assistance"—namely, administrative expenses for the Agency for International Development and administrative expenses to be reimbursed to the State Department—\$54,240,000 has been allowed for the former and \$3,100,000 has been approved for the latter.

For "Military assistance," the committee recommends the full amount of the budget estimate, \$1,170 million which is the same as the House allowance.

In view of the grave threat of Communist expansion and of internal subversion by nationalistic or communistic extremists which faces many nations of the world, the committee believes it to be judicious and in the best interests of this country and of the free world to appropriate the full amount requested for military assistance. In southeast Asia and the Far East, our military assistance program is of special importance and urgency, as Senators well know.

Turning to title II of the bill, which includes funds for the Peace Corps, administration of the Ryukyu Islands, various activities relating to assistance to

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refugees, and financing for the Inter-American Development Bank and the International Development Association, the sum of \$714,188,000 is recommended. Of this amount, \$102 million is recommended for the Peace Corps, together with unobligated balances remaining available on June 30, 1965, in the amount of \$12,100,000, which will provide a total of funds available for fiscal year 1966 of \$114,100,000. This will allow all but \$900,000 of the \$115 million requested by the Peace Corps. The \$900,000 was eliminated by Congress during the authorization process.

The committee has recommended the full amount of the budget estimate, \$14,733,000, for the administration of the Ryukyu Islands, which is the same as the House allowance.

For "Assistance to refugees in the United States," \$30 million is recommended. This is \$2,265,000 under the House allowance and the revised budget estimate. During the hearings, departmental officials advised the committee that their estimates of need for fiscal year 1966 had just recently been determined to be lower than anticipated and requested the reduction of \$2,265,000. Senators may be interested to know that the cost of this program have decreased from a high in fiscal 1963 of \$56 million to \$46 million in 1964, \$36.6 million in 1965, and an estimated \$30 million for fiscal 1966.

For "Migration and refugee assistance, Department of State," the committee recommends the budget estimate, \$7,575,000, the same as the House allowance. This is a \$625,000 reduction from last year's appropriation, and is made possible, the committee was informed, by continuing progress in the solution of refugee problems and greater contributions by other governments toward refugee and migration costs.

For the "Investment in the Inter-American Development Bank and the subscription to the International Development Association," the committee has recommended the full budget estimate, \$455,880,000 and \$104 million, respectively. The committee report, which is before the Senate, explains the purposes for which these funds were appropriated.

Under title III of the bill, the Export-Import Bank of Washington, the committee has allowed the full budget estimates for the limitation on operating expenses and the limitation on administrative expenses.

There is one language amendment in the bill which might best be brought to the attention of the Senate at this point.

Section 116, on page 12 of the bill, was inserted by the Senate committee and relates to the transportation of strategic items and other materials to North Vietnam. The House in its version of the bill had amended section 107, prohibiting assistance to any country which sells, furnishes, or permits any ships under its registry to carry items to Castro's Cuba, by adding the words "or to North Vietnam." The committee has prepared an entirely new general provision relating to North Vietnam rather than to attempt to legislate on North Vietnam in the

language relating to Cuba, which has been in the law for many years.

Under this provision, the intent of Congress is clear that aid should be denied to any country which fails to take appropriate steps to prevent its ships from transporting strategic items, items of economic assistance, or other equipment, materials, or commodities to North Vietnam.

That concludes my presentation, Mr. President, and I now ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of amendment; provided that no point of order shall be considered to have been waived by reason thereof.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 25, after "section 252," to strike out "\$445,125,000" and insert "\$435,125,000".

On page 3, line 5, after "section 202(a)," to strike out "\$675,225,000" and insert "\$593,225,000"; and, in line 8, after the word "expended," to strike out "Provided, That no part of this appropriation may be used to carry out the provisions of section 205 of the Foreign Assistance Act of 1961, as amended" and insert "Provided, That not to exceed 10 per centum of this appropriation shall be available to carry out the provisions of section 205 of the Foreign Assistance Act of 1961, as amended".

On page 7, line 12, after the word "regime," to strike out "or to North Vietnam."

On page 8, line 1, after the word "regime," to strike out "or to North Vietnam."

On page 12, after line 7, to insert:
"Sec. 116. In determining whether the funds appropriated or made available pursuant to this Act for assistance under the Foreign Assistance Act of 1961, as amended, may be used for assistance to any country, the President shall take into account such steps as that country has taken to prevent ships under its registry from transporting strategic items, items of economic assistance, or other equipment, materials or commodities to North Vietnam. If any country receiving assistance fails to take appropriate steps to prevent its ships from transporting such items, it is the sense of the Congress that assistance should be denied to that country."

On page 15, line 8, after "(5 U.S.C. 55a)," to strike out "\$32,265,000" and insert "\$30,000,000".

Mr. PASTORE. Mr. President, even though I have read the statement hurriedly, I stand ready to answer any question on the bill.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ELLENDER. Mr. President, I send to the desk three amendments. The first reduces the amount for the military assistance program by \$100 million; the second reduces the amount of the contingency funds by \$30 million; the third amendment reduces the amount for the general development loan fund from \$593 million-plus to \$543 million-plus, or a total of \$50 million.

Mr. PASTORE. Mr. President, do I correctly understand that the amendments of the Senator from Louisiana are to lie at the desk until they are called up by him?

Mr. ELLENDER. The Senator is correct.

Mr. President, I should like to propound a unanimous-consent request. I have sent three amendments to the desk. I understand that under the present agreement I am entitled to 30 minutes on each amendment.

Mr. PASTORE. That is correct.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ELLENDER. I ask unanimous consent that the time allotted to me on the three amendments be consolidated, so that I may make a general statement on the amendments, the time to be charged equally to each amendment.

Mr. PASTORE. In other words, the Senator is asking that the hour and a half allotted to him to be charged generally to the three amendments.

Mr. ELLENDER. That is correct.

Mr. PASTORE. I have no objection.

Mr. ELLENDER. I may not use all of that time.

The ACTING PRESIDENT pro tempore. The three amendments will be considered together.

Mr. ELLENDER. Yes; and such time as I may consume in making my general statement will be charged to all three amendments.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. PASTORE. I have no objection.

Mr. COTTON. Mr. President, reserving the right to object, if the three amendments are to be considered together, does that mean that the Senate will vote on them together?

The ACTING PRESIDENT pro tempore. No; they will be discussed at the same time.

Mr. ELLENDER. They will be discussed at the same time, but acted on separately.

The ACTING PRESIDENT pro tempore. Without objection, the request of the Senator from Louisiana is agreed to.

Mr. SALTONSTALL. Mr. President, has the Senator from Rhode Island yielded the floor?

Mr. PASTORE. I yield the floor.

AMENDMENTS NO. 449

Mr. SALTONSTALL. Mr. President, I call up my amendments No. 449 and ask that they be stated.

The ACTING PRESIDENT pro tempore. The clerk will read the amendments.

The LEGISLATIVE CLERK. On page 2, line 10, delete "\$202,355,000" and insert "\$182,355,000".

On page 2, line 14, delete "\$144,755,000" and insert "\$134,755,000".

On page 2, line 16, delete "\$369,200,000" and insert "\$349,200,000".

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum, the time to be equally divided between both sides.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, I ask for the yeas and nays on my amendments.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, my amendments are very simple. This concerns a subject which all Senators have discussed for years and know about.

Primarily the committee, on the recommendation of the chairman of the committee, discussed informally, but did not agree upon, a cut of \$42 million. Ten million dollars of this cut was to be from the Alliance for Progress development loan funds and \$32 million from the development loans. This would restore the amount to that provided for in the Senate authorization bill.

Several Senators, including myself, proposed to eliminate \$100 million from the bill. This would make a total cut of \$142 million, which would be a comparatively small percentage.

The committee, by a very close vote, sustained a further cut of \$50 million, making a total of \$92 million. That is the form in which the bill has just been discussed by the acting chairman of the committee, the distinguished Senator from Rhode Island.

My amendments relate to further cuts. One proposed reduction is a \$20 million cut from technical cooperation, or approximately an 8.5-percent cut. There is a proposed reduction of \$20 million from supporting assistance, approximately a 5-percent cut. There is also a proposed reduction of \$10 million from the international programs, or approximately a 7-percent cut.

My amendment would not in any way affect the Alliance for Progress funds, in which so many of us are interested.

I call attention to the fact that, from the information which we have received—and I believe that it is accurate—this bill is overfunded by approximately \$6,800,000 in the economic sections. When we consider this amount, my additional cut would be approximately \$43 million, rather than \$50 million.

I have always supported and been on the generous side concerning foreign aid. I believe that we must cooperate with other countries. In the pending legislation, there was no cut, by either the House or Senate committee, in the amount of funds recommended by the administration with relation to military aid.

One billion, one hundred and seventy million dollars is provided in the bill for military assistance. While the figures are classified, I can assure the Senate that a substantial additional amount of military assistance must be provided if we are to support our services and assist the Vietnamese people in South Vietnam.

In addition—and again the figures are classified—I assure the Senate that we shall have to appropriate a substantial sum, hundreds of millions of dollars,

to support our own forces in Vietnam and to increase the amounts of procurement for our forces around the world in order to take care of procurement of materiel that must be sent to Vietnam for our troops.

Mr. President, I proposed this additional small cut in the committee. Because I sincerely believe that we shall have tremendous additional military expenses and responsibilities around the world on an increasing rather than on a decreasing scale, I believe that we should cut a little more from supporting assistance, which is where the cut would primarily be, and from the development grants.

These are small additional cuts, amounting in all to \$50 million, or approximately 1.5 percent of the total economic aid bill in supporting assistance, technical cooperation, and international programs.

I believe that the funds that we would appropriate, if these amendments were agreed to, would be sufficient to carry out our responsibilities under those three programs of our foreign aid in the next fiscal year.

Mr. President, this bill is now \$50 million below the Senate authorization and, if my amendments are agreed to, it will be \$100 million below the Senate authorization. I believe that sufficient funds will be provided to carry out our responsibilities.

I feel confident that our military assistance to Vietnam will be greatly increased in addition to the amount provided in the bill. The increase will be taken care of by means of supplemental appropriations for the support of our own troops and operations, maintenance accounts, procurement accounts for materiel, and all accounts that are necessary to support our forces in Vietnam.

There will be substantial increases in the supplemental budget that will be submitted to us in January.

We have already increased our expenses over there, first by \$700 million and then by an additional \$1.7 billion, so we know that to that extent our original budget figure has been increased; and we know there are going to be further expenditures to carry out our obligations in Vietnam.

Therefore, Mr. President, I ask that my amendments cutting \$50 million more from the figure in the committee report be agreed to.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PASTORE. I yield myself 5 minutes, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PASTORE. I wish to say at the outset that no Senator has been more loyal to this program than my distinguished colleague the senior Senator from Massachusetts. No Senator has higher respect and admiration than have I for his judicious treatment of the matter, especially before the subcommittee, but also before the full committee.

However, the Senator should understand today that, with the exception of the year 1955, when the request was \$11

million less than it is for the fiscal year 1966, this is the smallest amount ever requested by any administration in the entire life of the foreign aid program.

That means what, Mr. President? It means that the Senate committee which is held responsible for scrutinizing and exhaustively investigating every request made has cut the bill down to the marrow of the bone. What we do not want to do today is to get into the marrow, and destroy the program.

Every single item that was presented to our committee was scrutinized and gone over with a fine-tooth comb, and, as a result, we have cut the House bill by \$92 million. That is quite a feat for the Senate, because the process has usually been the other way. The Senate has always granted reclaims; we have always granted new requests to increase amounts over the amount allowed by the House.

Mr. CARLSON. Will the Senator yield?

Mr. PASTORE. I am happy to yield to the Senator from Kansas.

Mr. CARLSON. I believe the Senator from Rhode Island made the statement that this is the lowest request ever made for this particular program. I happen to be a member of the Senate Foreign Relations Committee and somewhat familiar with our foreign operations.

Would not the Senator agree that the reason for the reduction is not necessarily the way we have closely scrutinized the program, but may very well be because at one time, over 100 nations were receiving our aid, but the number has now decreased to about 76? That should have some effect.

Mr. PASTORE. It will have some effect. But the Senator must realize that when we had some 100 nations, we did not have a situation such as we have experienced within recent weeks between Pakistan and India. We did not have the situation in the Dominican Republic. We did not have the situation in Vietnam. These things, of course, also have an effect.

The argument that is being made here is that we have a tremendous responsibility in Vietnam. No one challenges that statement. We must do everything we possibly can to stop the encroachment of communism anywhere in the world, because we realize that if we do not do it 3,000 or 7,000 miles away from our own shores, the possibility is that we might have to do it on our own threshold. We wish to avert that if we possibly can.

The Senator's proposed cut comes at a dangerous time. Let us remember that within 1 day there has been a cease-fire in India and Pakistan. Much credit for that must go to the international world forum, the United Nations.

What has the Senator from Massachusetts in mind? As I understand, he proposes to take \$20 million out of technical assistance; he proposes taking \$10 million out of the agencies in the United Nations. There we are, taking it out of the United Nations. He also proposes a cut of \$20 million or more out of supporting assistance.

I say to the Senator from Massachusetts that if that is what he is proposing,

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it should not be done. This is not the time for it. At this time we should be giving to the United Nations and its agencies the morale, the assistance, and the support that is necessary.

I heard only today on television, on the Today program, that because of the splendid achievement in bringing about a cease fire under the auspices of the United Nations, there is a good possibility that some kind of negotiated agreement might be achieved in Vietnam.

We are going to try. Is it not much better to spend a few dollars to stabilize the economies of underprivileged nations, to avert these situations that compel us to spend money by the millions when we begin to send our boys to troubled areas?

Mr. SALTONSTALL. Will the Senator permit a brief observation, or would he prefer not to be interrupted?

Mr. PASTORE. I am always happy to yield to my gracious colleague from Massachusetts.

Mr. SALTONSTALL. I thank the distinguished Senator from Rhode Island.

I point out that in the United Nations, which the Senator was discussing—that is my reason for interrupting him—the Indus Basin Development Fund has \$43 million, and the United Nations Special Assistance and Technical Fund \$65 million, out of the total contribution of \$144 million. My cut, of course, is only \$10 million, which could very well, under present circumstances, come out of the Indus Basin Development Fund.

Mr. PASTORE. I realize that. But all of that was taken into account by the House, by our committee, and by the administration.

I say it is dangerous to do it now. We are being pennywise and pound-foolish. I admit that there are situations throughout the world which are regrettable, which are deeply disappointing. But let us not get into a position where we begin to lament the fact that we bought fire insurance on our house, and feel that we had to pay the premiums and therefore made a bad investment. We are sorry, it would seem, only because the house did not burn down. That is the philosophy we are adopting here.

The money we have spent has represented protection. Not only does it help other nations; it secures America. Yes, there is benevolence in the program. There should be, because America has always had a compassionate heart. But there is the interest of America as well in this program.

Today we are the most affluent society in the world. We have 6 percent of the population. We occupy 7 percent of the land mass of the world. But we have 40 percent of the wealth of the world. If this world falls apart, who has the most to lose? The United States of America. That is the reason why we have this program. It is out insurance.

Of course, it does not work out perfectly. It cannot be humanly perfect. But I am sure my fellow Senators will admit that administratively speaking, it is on a sound basis, the soundest basis

It has ever been in the history of the program.

We have as administrator a man by the name of David Bell. He is one of the finest administrators in all our experience. When he comes before the committee, he has already been cautioned to be careful not to ask for one penny more than he can use.

To be more specific, what are the unobligated funds? I understand that the unobligated funds with reference to the technical assistance program are about \$10 million, which is a very small sum when one realizes that after all, it must be committed judiciously. There are no unobligated funds with reference to the international agencies, if we consider them all together. There is a slight unobligated amount, I think about \$3 million—\$3,812,000—under the supporting assistance programs.

Mr. President, what I am saying is this: I have been selected by the Appropriations Committee to assume the responsibility of chairing these hearings and managing the bill on the floor. In doing so, whether I am a great success or a failure, I bring no bouquets or brickbats back to Rhode Island. This is the highest program—

Mr. SALTONSTALL. Will the Senator yield?

Mr. PASTORE. If I may complete my eloquence. I am at a moment of drama now. Spare me that.

There will be no flags flown for PASTORE because I saved the bill. It is the one job in the Senate that everyone runs away from, but it is the job that needs to be done.

Not long ago there was a meeting at the White House which was attended by Republican and Democratic Senators. We were addressed by the Secretary of State, the Secretary of Defense, and the Representative of the President at the United Nations. We were talked to by the head of the World Bank. We were talked to by almost every high official, including the President of the United States himself.

The President made it abundantly clear that so far as he is concerned, when it comes to spending foreign aid money, he is going to be a hard-nosed negotiator.

I have no fear. I saw Lyndon Johnson operate when he was chairman of subcommittees on the Appropriations Committee. I followed him directly on that committee. I know how careful he has been to make sure that we do not spend any more than we necessarily must. He wants the taxpayers to get 100 pennies' worth for every tax dollar spent. I have great confidence in that man.

Mr. President, the bill has been cut below the figure the President asked. We have already cut it \$92 million. It is not that we have added anything, and now the Senator from Massachusetts [Mr. SALTONSTALL] wishes a cut. We have already cut it by \$92 million, which is \$50 million less than the Senate authorized only a few weeks ago.

I believe that we have gone the limit. Please do not throw out the baby with the bath water.

Mr. ALLOTT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. Mr. President, I yield 8 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER (Mr. MONROVE in the chair). The Senator from Colorado is recognized for 8 minutes.

Mr. ALLOTT. Mr. President, I support the amendments now pending before the Senate, despite the eloquence of our distinguished chairman, to whom we all listened on at least two occasions in committee on this question.

We must consider other factors at this time which, in my opinion, are going to be of overwhelming importance.

First, let me state that as everyone knows, I have always supported a foreign assistance program. To me, it is the height of stupidity to say that the President do the job he is supposed to do if he does not have any kind of foreign economic assistance program.

However, I have been concerned for a long time about the size of the program. I have been concerned about falling into the trap of looking for places to spend money.

It is significant that this year we finally dropped an item from the budget called "Surveys of Investment Opportunity." We even had our own people out looking for places to spend money, until this year. Fortunately, that has now been dropped from the budget.

Because I do not wish my position to be misunderstood I will say that I agree with the distinguished chairman of the subcommittee—and I am sure the ranking senior member of the Republicans would also say it is true—that Mr. Bell is an efficient and a good administrator. What I shall have to say will in no sense be a reflection upon him personally, or upon his administration of foreign aid funds, because I believe that he has done a fine job, and I would be remiss in my duty if I did not state that fact.

I ask unanimous consent to have included at the conclusion of my remarks several tables to which I shall refer as I speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLOTT. Mr. President, the first one I wish to have included is U.S. contributions to the United Nations special programs, shown on page 56 of the hearings.

There is no question that we are spending approximately \$7.5 billion a year for foreign aid. This takes in a great number of programs, as shown in the hearings. That is what we wish to avoid.

On page 65 of the hearings, when I asked Mr. Bell about the \$7.5 billion, he said:

A figure of between \$5 and \$6 billion is not in my opinion a misleading figure.

The only difference between the \$7.5 billion figure and his figure is the non-inclusion of certain items, such as Export-Import Bank loans and Public Law 480 funds.

The second table I should like to have included at the end of my remarks is the

table shown on page 67 referring to International Affairs and Finance.

The table on page 63 shows the new foreign aid funds requested in 1965, and it is one that I wish to have included in the Record at the conclusion of my remarks, together with subsequent tables.

What will be available this year in funds carried over? Mr. Bell, on page 69 of the hearings, stated that on June 30, 1965, there was \$6.321 billion unexpended, which will be available this year. The table on page 69 shows \$10.6 billion unexpended, and I would like that table also to appear at the conclusion of my remarks. Again, the difference between the figures is the noninclusion of such items as Export-Import Bank loans and Public Law 480 funds.

Even using the lower figures which Mr. Bell used, we have \$9.7 billion available for expenditure this year. It will be at least that much, including the carryover from last year.

As the distinguished Senator from Massachusetts has pointed out, the cuts he has proposed amount to less than 1½ percent. Can any Senator seriously contend that a cut of 1½ percent in foreign aid funds cannot be imposed without crippling the expenditures of those funds and without tying the hands of the President?

I do not believe that such a contention can be successfully made. This is a

large amount. It is a large fund. To cut it in these respects, certainly is reasonable.

Where are the proposed cuts?

Twenty million dollars in technical cooperation and development grants.

Ten million dollars in international organizations and programs.

Mr. President, I believe that the proposed cut of \$10 million in international organizations and programs might well be larger than that. This is a wholly reasonable cut.

The proposed cut of \$20 million in supporting assistance makes a total of \$50 million. We have left the Alliance for Progress funds and our Latin American friends in good shape in the bill. The cut which was made in committee for the Alliance for Progress funds was only \$10 million, and that was left in good shape.

By Mr. Bell's own statement, he said that he would prefer that cuts be assessed to the development loans generally; not to the Alliance for Progress loans but, rather, to technical assistance.

Mr. President, there comes a time when we have to look hard at these programs.

The Senator from Massachusetts spoke of problems that we shall have to face to finance the war in Vietnam during the coming year.

I cannot repeat the figures which were given to us, but we are going to spend a great deal of money over there next year.

When the Congress comes back in January, the first thing we are going to be faced with will be a supplemental appropriation bill to finance the war. The figures will astound most people in the United States. Knowing this is coming, it behooves the Senate of the United States to act with every precaution, to act as a reasonable man would and to cut this amount, and thus insure that the program carried on under AID will be a hard program, with no softness in it, and no feathers in it.

I cannot believe—and I am sure no one else will believe—that cutting the amount in this area by a mere 1½ percent is going to hinder the President or tie his hands or keep us from doing a meaningful job in support of our military forces that are now in Vietnam. For those reasons, and for the additional reason that I do not think it can be contended that this cut is sufficient to cripple anyone in the program, and that there is money there sufficient to do the job in support of our purposes and in support of our foreign policy, I hope my colleagues in the Senate will agree to the amendments offered by the Senator from Massachusetts.

EXHIBIT 1

U.S. contributions to the United Nations special programs, calendar years 1961-65

[In thousands of dollars]

| | 1961 | | 1962 | | 1963 | | 1964 estimate | | 1965 estimate | |
|---------------------------------------------------------------------------|--------------|---------|--------------|---------|--------------|---------|---------------|---------|---------------|---------|
| | Contribution | Percent | Contribution | Percent | Contribution | Percent | Contribution | Percent | Contribution | Percent |
| Peacekeeping (assessed and voluntary): | | | | | | | | | | |
| United Nations Emergency Force: | | | | | | | | | | |
| Assessed..... | 6,116 | | 3,122 | | 3,037 | | 5,665 | | 5,485 | |
| Voluntary..... | 1,800 | | 1,322 | | 372 | | 872 | | 850 | |
| Subtotal, UNEF..... | 7,916 | 41.66 | 4,444 | 45.58 | 3,409 | 35.88 | 6,537 | 36.82 | 6,335 | 36.82 |
| United Nations operation in the Congo: | | | | | | | | | | |
| Assessed..... | 32,204 | | 25,616 | | 10,550 | | 4,787 | | | |
| Voluntary..... | 15,305 | | 11,401 | | 1,768 | | 704 | | | |
| Subtotal, UNOC..... | 47,509 | 47.51 | 37,017 | 46.27 | 12,318 | 37.33 | 5,491 | 30.17 | | |
| United Nations Force in Cyprus ¹ (voluntary) | | | | | | | 7,596 | 46.06 | 4,000 | 34.40 |
| Peacekeeping..... | 55,425 | | 41,461 | | 15,727 | | 19,624 | | 10,335 | |
| Special programs (voluntary): | | | | | | | | | | |
| United Nations Children's Fund..... | 12,000 | 46.00 | 12,000 | 44.00 | 12,000 | 42.00 | 11,809 | 40.00 | 12,000 | 40.00 |
| U.N. economic assistance to the Congo..... | 17,950 | (?) | 59,000 | (?) | 29,400 | (?) | 5,000 | (?) | 5,000 | (?) |
| U.N. expanded program of technical assistance..... | 17,627 | 40.00 | 19,642 | 40.00 | 21,620 | 40.00 | 22,509 | 40.00 | 22,500 | 40.00 |
| U.N. Special Fund..... | 19,525 | 40.00 | 25,111 | 40.00 | 30,799 | 40.00 | 36,492 | 40.00 | 37,500 | 40.00 |
| U.N./FAO world food program..... | | | | | 1,200 | 40.00 | 2,438 | 40.00 | 1,862 | 40.00 |
| U.N. High Commissioner for refugees program..... | 1,300 | 33.33 | 1,200 | 33.33 | 700 | 24.39 | 600 | 33.33 | 600 | 33.33 |
| U.N. Relief and Works Agency for Palestine refugees in the Near East..... | 23,500 | 68.49 | 24,700 | 70.00 | 24,700 | 70.00 | 24,700 | 70.00 | 24,700 | 70.00 |
| WHO—Community water development program..... | 175 | 100.00 | 400 | 100.00 | | | | | | |
| WHO—Malaria eradication program..... | 4,000 | 89.60 | 2,500 | 80.89 | | | | | | |
| WHO—Medical research program..... | 500 | 100.00 | 500 | 100.00 | 500 | 100.00 | | | 100 | 20.00 |
| Special programs..... | 97,577 | | 141,553 | | 120,919 | | 115,548 | | 103,762 | |
| Total..... | 153,002 | | 183,014 | | 186,646 | | 135,172 | | 114,097 | |

¹ The amount shown for 1964 covers the initial 9-month period only. The amount shown for 1965 covers 6 months only, and includes airlift services amounting to \$996,450.

² Since July 1960 the United States has provided about 56 percent of the total economic assistance which has been made available to the Congo from both multilateral and bilateral sources.

September 23, 1965

International affairs and finance

[Fiscal years. In millions]

Estimated unexpended balances July 30,
1965—Continued

[In thousands]

| Program or agency | Payments to the public | | | Recom- mended new obligations authority for 1966 | Permanent construction overseas (military) |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------|------------------|--------------------------------------------------------------|-----------------------------------------------|
| | 1964 actual | 1965 estimate | 1966 estimate | | |
| Administrative budget funds: | | | | | |
| Conduct of foreign affairs: | | | | | |
| Department of State | \$279 | \$290 | \$305 | \$318 | \$29,500 |
| U.S. Arms Control and Disarmament Agency | 6 | 10 | 17 | 12 | |
| Tariff Commission | 3 | 3 | 3 | 4 | |
| Foreign Claims Settlement Commission | 9 | 37 | 2 | 2 | |
| Economic and financial programs: | | | | | |
| Agency for International Development | | | | | |
| Development loans | 768 | 862 | 870 | 780 | |
| Technical cooperation | 236 | 190 | 215 | 210 | |
| Alliance for Progress | 272 | 365 | 388 | 580 | |
| Supporting assistance | 371 | 370 | 380 | 389 | |
| Contingencies and other | 360 | 263 | 227 | 271 | |
| Subtotal, Agency for International Development | 1,997 | 2,050 | 2,100 | 2,210 | |
| International financial institutions: | | | | | |
| Present programs | 112 | 62 | 10 | 310 | |
| Proposed legislation | | 258 | 15 | 350 | |
| Peace Corps | 60 | 80 | 145 | 125 | |
| Export-Import Bank | -702 | -645 | -410 | | |
| Other | 12 | 16 | 11 | 12 | |
| Food for peace ¹ | 1,704 | 1,661 | 1,601 | 1,658 | |
| Foreign information and exchange activities: | | | | | |
| U.S. Information Agency | 161 | 164 | 161 | 173 | |
| Department of State | 46 | 62 | 19 | 62 | |
| Subtotal, administrative budget | 3,687 | 4,043 | 3,984 | 5,136 | |
| Trust funds | 62 | -108 | 218 | 115 | |
| Intragovernmental transactions and adjustments for net cash issuances or withdrawals by international financial institu- tions (deduct) | 256 | 301 | 19 | | |
| Total | 3,402 | 3,636 | 4,113 | | |

General notes:

1. The estimates in the budget cover requirements under existing legislation and under legislation which is proposed for enactment by the Congress.
2. Unless otherwise indicated, all references to years in this volume are to fiscal years ending June 30.
3. Details in the tables and charts may not add to the totals because of rounding.
4. Pursuant to Public Law 88-638, approved Oct. 8, 1964, the food-for-peace program authorized by Public Law 83-480 is treated in this budget as part of the "international affairs and finance" function. In prior budgets, sales of agricultural commodities under titles I and IV of Public Law 83-480 were included in the function "Agriculture and agricultural resources."

5. Compares with new obligatory authority for 1964 and 1965, as follows:
Administrative budget funds: 1964, \$4,467,000,000; 1965, \$6,769,000,000.
Trust funds: 1964, \$57,000,000; 1965 \$32,000,000.

| New foreign aid funds requested in 1965 | | Estimated unexpended balances July 30, 1965 | |
|--------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------|-------------|
| | | [In thousands] | |
| Foreign assistance requests, as amended (mutual security) | \$3,459,470,000 | Foreign aid programs: | |
| Receipts and recoveries from previous credits | 209,770,000 | Economic assistance (AID): | |
| Military Assistance Advisory Group | 78,000,000 | Budgeted programs | \$3,956,803 |
| Export-Import Bank (long- term credits) | 900,000,000 | Social Progress Trust Fund | 321,000 |
| Public Law 480 (agricul- tural commodities) | 1,658,000,000 | Special revolving funds: | |
| Inter-American Development Bank (Latin America) | 705,880,000 | Advance acquisition of property | 2,449 |
| International Development Association (IDA) | 104,000,000 | Investment guarantee pro- gram | 281,263 |
| Peace Corps | 115,000,000 | Military assistance program: | |
| Contributions to interna- tional organizations | 96,953,000 | Appropriated funds | 1,922,909 |
| Permanent construction overseas (military) | 85,986,000 | Total | 6,484,424 |
| Education (foreign and other students) | 69,200,000 | Pay and allowances for U.S. mi- itary personnel abroad (military assistance advisory group) | 2,000 |
| Ryukyu Islands | 14,733,000 | Export-Import Bank (long-term loans) | 1,415,000 |
| Migrants and refugees | 7,575,000 | Public Law 480 (agricul- tural commodities—unshipped amounts against titles I, II, and IV of the agreements) | 1,107,500 |
| Atomic Energy Commission (overseas) | 5,900,000 | Inter-American Development Bank | 1,905,057 |
| Inter-American Highway (Latin America) | 4,000,000 | International Development Asso- ciation (IDA) | 1,495,664 |
| Total new foreign aid requests, first 6 months of 1965 | 7,512,487,000 | Peace Corps | 77,836 |
| | | Contributions to International Agencies (state) | 1,392 |

Education exchange activities (state) 47,676
Ryukyu Islands (Army-civil) 4,385
Migration and refugee assistance 4,527
Atomic Energy Commission ("Euratom") 8,037
Inter-American Highway (Commerce) 22,800
Total 10,605,738

Program administered by the Inter-American Development Bank (IDB).
Includes \$405,880,000 for callable capital stock.

As of June 30, 1965, the unexpected balance for the U.S. Treasury accounts will be zero since the last installment of the initial subscription to the Association was paid in November 1964. U.S. subscriptions become merged with resources provided to the Association and disbursements cannot be identified as to source of funds. This amount represents 41.6 percent of the total unexpended balance of the IDA.

Mr. SALTONSTALL. Mr. President, does the Senator from Rhode Island [Mr. PASTORE] wish to speak?

Mr. PASTORE. I thought the Senator from South Dakota [Mr. MUNDT] was to speak.

Mr. SALTONSTALL. I know the Senator from South Dakota wishes to speak, but I thought the Senator from Rhode Island might wish to make a few remarks now.

Mr. PASTORE. Mr. President, I will not take much time. Many Members of the Senate are at the White House to say farewell to the Postmaster General, Mr. Gronousky. If the Senator from South Dakota [Mr. MUNDT] wishes to speak, I shall be glad to hear what he says.

Mr. SALTONSTALL. Mr. President, how much time have I on my side?

The PRESIDING OFFICER. The Senator from Massachusetts has 10 minutes remaining.

Mr. PASTORE. Mr. President, how much time have I remaining on my side?

The PRESIDING OFFICER. Sixteen minutes.

Mr. PASTORE. I will give the Senator from South Dakota 6 minutes from the time on my side.

Mr. SALTONSTALL. Mr. President, I yield 8 minutes to the Senator from South Dakota. I understand the Senator from Rhode Island has yielded 6 minutes to him.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 14 minutes.

Mr. MUNDT. Mr. President, it seems to me that the only thing wrong with these amendments, if there is anything wrong with them, is that they represent too modest a reduction in this year's appropriation bill for AID. I honestly

believe that, instead of asking for a \$50 million reduction it should have been larger. Considering the \$42 million cut suggested and accepted by the chairman of the committee, the additional \$50 million cut agreed to by the committee of the \$100 million which the Senator from Massachusetts [Mr. SALTONSTALL] and three or four of the rest of us recommended at that time, and the additional \$50 million cut now sponsored on the Senate floor by the same group; namely, Senators SALTONSTALL, YOUNG of North Dakota, MUNDT, HRUSKA, ALLOTT, and COTTON as an additional reduction at this time, it will amount to a total saving of \$142 million out of a multibillion dollar appropriation for AID.

I happen to be one of those who have been struggling with the foreign aid economic assistance program from its inception. The first really exciting congressional hearing in which I participated, was held on H.R. 1776, when I was a Member of the House and a member of the Foreign Affairs Committee of that body, headed at that time by Sol Bloom of New York.

At that time we started down the road which has taken us well over \$100 billion, which has provided economic aid or assistance of some kind or other to well over 100 countries of the world. We apparently continue to act as though the U.S. Congress and the administration had lost all of their genius for new ideas, with very much the same kind of formula of operations with which we started with H.R. 1776, and the Marshall plan, and the successor programs.

I have joined in the amendment to reduce the bill by another \$50 million to bring a total reduction of \$142 million because it appears that that might be the best we would be able to work out in this body with a single successful amendment.

We may of course have an opportunity to work on other cuts later. I see on the floor the Senator from Louisiana [Mr. ELLENDER], who in years before led very informative and determined battles to reduce the bill further. I see no other amendments at the desk. I do not know whether the Senator is going to offer similar amendments. So we must wrestle with the problem in the dimensions in which we find it now.

Normally, in years past, a pretty good screening job on these appropriations was done in the House of Representatives Appropriation Subcommittee under Representative OTTO PASSMAN. In years past the House of Representatives has been successful in paring the legislation and reducing the amount. But something appears to have happened in the House subcommittee. Either there has been a change of faces or philosophy. Representative PASSMAN has tried with his customary vigor, but the results on the House side have been disappointing. So our full committee on this side of the Capitol has a new responsibility in this field. We can no longer depend on the House to reduce these amounts. They will be reduced here or nowhere, because

what used to be a good screening process in the House has now become primarily a funnel for transmitting to the Senate almost the full administration request.

I hope Senators will therefore measure up to their responsibilities when they consider this annual appropriation, which apparently has not been as carefully scrutinized and as judiciously reduced by the House as was the case in the past, and that we can bring about at least a total reduction of \$142 million. If we do so, we shall be serving America well.

In the first place, this program of reduction is important from the standpoint of selectivity. We tried hard in the Foreign Relations Committee, the legislative committee which brings the foreign aid authorization bill to the floor, and upon which the Appropriations Committee has to work, to provide some selectivity in administering these funds. In the original bill as it passed the Senate there was a terminal date 2 years in advance. We had provided a recommendation that when a new program was proposed it could not include more than 70 countries, instead of nearly 100.

Our recommendation included the appointment of a high-level commission to take a new look at America's responsibility in this entire area of foreign assistance and that was eliminated again by House action responding to the suggestions of the administration.

So now, unless this body and the Committee on Appropriations begin to tailor this financial load to actual needs, we are going to be found guilty of malfeasance of our responsibility.

The first reason we suggest this cut, as I said, is selectivity. When there are fewer dollars with which to operate, the areas which need it are more carefully selected. It is not scattered around willy-nilly, where there are so many countries and everybody wants a part of it. The applicant has to be told to slow down because we are running out of money for this legislation.

Second, it would provide a greater degree of efficiency in this program. No Senator will stand in the Senate and say that the program has been efficiently operated. There are too many examples of inefficiency, such as concrete roads built to nowhere, highways in areas which lack automobiles, and electrical refrigerators in areas which have no electricity. There are many mistakes.

I suppose our genial chairman would say that we cannot help but make mistakes in a program such as this. I agree. I am not agitating for a complete ending of the program and I am not scalping any public official. I point out that the program will have to operate more efficiently.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. PASTORE. I am personally willing to admit that mistakes have been made, but I made the statement that I do not believe we have ever had a man at the head of this program who had more administrative and conscientious ability than David Bell.

All that the Senator from Rhode Island said was, "Let us not throw out the baby with the bath water."

I hope that because we made some mistakes in this program in the past that we do not take it out on this program and the foreign assistance program.

Mr. MUNDT. I have admiration for David Bell. I recognize that he is trying to do his best. I recognize in the past there have been great manifestations of inefficiency and that they are still cropping up.

We could not expect him to deal with them all, but he could deal with them more directly and effectively if he were given less money with which to work.

The Senator from Rhode Island talked about throwing out the baby with the bath water. I am not even throwing out the bath water.

We could be working on reductions of \$300 million or \$500 million but we are temperate individuals and we have to work in areas of practicality. We simply ask the Senate to make this additional reduction so we can get better results with less money.

We are merely trying to reduce this bill enough to save important dollars for our taxpayers and to incite some additional efficiency in the program.

One of the great weaknesses of the program now is that foreign leaders can see astronomical figures appropriated. They can see what is written in black and white. They figure they can come here, tin cup in hand, and say, "We want our share of the dollars."

But if Mr. Bell were able to say, "The Congress is cutting us back; we did not get all we asked for; we must limit some programs in some areas," they will have to make their request pretty persuasive or will learn that we are not going to be able to provide the money.

There must be stimulated effectiveness, along with efficiency, and along with selectivity, in a program which for too long has operated with guidelines which are too vague, too ambiguous, and too ineffective.

In a way, Uncle Sam has become a sort of quack doctor operating on the global economy and political situation; a sort of economic and political quack doctor who would be ruled out of the apothecary arts in this country, if he provided the same kind of pill for every ailment of every individual in any area; a sort of quack doctor approach with the same prescription, "Dish out the dollars" for all problems abroad. It is the same prescription for every problem of every country, be it a young country suffering from problems of youth and adolescence, or some archaic area suffering from the aches and pains of old age. It is the same pill, the same prescription, the same kind of approach, which worked pretty well a long time ago in Greece and Turkey. They were given the aid and they stood up against communism. But that some formula will not work in every country and in the curing of every problem.

Sometimes it becomes counterproductive; we also can bring disturbance, and distress with our dollar and our dollars.

We are in trouble with Sukarno. We have a great deal of equipment there. We help him with the problems there and then he gives his neighbors fear from his aggressive actions. Then, both the Pakistanians and Indians start shooting at each other with American provided arms and ammunition.

When they ran out of American ammunition and supplies in these two countries they were amenable to reason. It is a good thing we did not give them a couple billion dollars worth of ammunition or they would still be fighting.

This creates problems. It has been the same old procedure too long. The same old prescription will not work too long. That is why our legislative committee said, "Let us take another look at it." Let us terminate this AID program in 2 years and take a new look at our responsibilities.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I request 5 minutes on the bill.

Mr. SALTONSTALL. How much time is remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes remaining on the amendments.

Mr. SALTONSTALL. I yield to the Senator from South Dakota 2 minutes on the amendments and 3 minutes on the bill.

Mr. MUNDT. I believe it is important that we give consideration to a revamping of this program. We cannot abandon our international responsibility. Nobody is advocating that. A reduction of another \$50 million would bring dividends in terms of its psychological impact, far beyond the money it would save in terms of actual dollars, because it would indicate a desire to revamp and reorganize a program that has gone into over a hundred billion dollars. They are still busy spending money they do not have. It is time to prepare new plans, new approaches, and ideas.

They have neither the time nor the inclination to properly train the people in charge of the program overseas. They object to some kind of American institutional training, so that we could send professionals over there, to compete with the highly trained professional Communists on the other side.

We send starry-eyed idealists. We send high-minded amateurs. We send people whose minds have not been tutored and trained, who have pockets full of gold out into the world trying to win the war for freedom in the cold war.

Perhaps if we sent people with fewer dollars to spend, they might be better trained and better organized.

A great many things could be done to improve the program.

I am one of the coauthors of Public Law 480, the food-for-peace program, passed under the chairmanship of our good friend from Louisiana (Mr. ELLENDER) during the Eisenhower administration. It was a good piece of legislation when it was passed. It was given

a great deal of assistance to people abroad. It has served America and the free world well. But it could and should do better.

That program needs some new concepts. We must not operate it as though it were a part of a free pancake day at the county fair, and call out to the world, "Come and get it."

Our surplus food should be judiciously utilized in areas where it will do the most good. It should be used to influence human behavior, politically, as well as helping the physical well-being of people, people who are interested in being not only strengthened and well fed, but also want to be politically free.

We do not serve too well the cause of freedom by strengthening the bodies of individuals only to have them become slaves in the Communist army.

There, too, we need some guidance, some new thinking.

There is too much of a tendency, because we have surplus food to dispense it without careful planning and without determining in advance the results we desire to obtain.

I should like to see additional and larger amounts of our surplus foods and fibers used to help to make the world a better place in which to live. All these reforms hinge upon the determination of whether this body and Congress as a whole desire to analyze, study, and reduce extravagant spending to the point that we will compel, along with belt-tightening, a little studious research, re-planning, and revamping of the approach. We cannot abandon our responsibilities, but we shall have to improve our operation so that we may start winning victories in the cold war.

This additional \$50 million of savings, if the Senate will approve it, may well help to push those in power in the direction of doing a better job of American leadership in the highly complicated business of waging a cold war.

Mr. SALTONSTALL. Mr. President, I yield myself 1 minute.

The amendment does not take 1 cent away from the Alliance for Progress. The amendment does not take 1 cent off the \$1.17 billion provided for military assistance. I believe and am confident that we shall have to ask for many hundreds of millions of dollars more to provide military assistance and for direct military expenditures to fulfill our obligations in South Vietnam.

My amendment takes 1.5 percent from the economic programs. It is cut down by cutting \$20 million from technical cooperation, \$10 million from international organizations, and \$20 million from support assistance, or approximately 2 percent out of a \$3 billion bill.

I hope the amendment, which was almost adopted in committee, will be agreed to by the Senate.

Mr. PASTORE. Mr. President, I shall make a short observation. It is my understanding that I have 10 minutes remaining. I shall speak briefly and then yield back the remainder of my time.

I wish to impress upon the Senate that the committee carefully scrutinized every item contained in the bill. The Senate, beginning on June 7 and ending

on June 14, took a number of votes, and after prolonged debate passed a bill providing \$50 million more than is provided in the bill before the Senate today.

The argument of the Senator from Rhode Island is that the bill has been cut as far as we think it may well be cut and preserve the security of this Nation. That is our fundamental and sincere conviction.

The argument that the additional \$50 million is only a bare percentage of the total amount is fallacious. If that logic is used, why not cut the amount by \$500 million? Why not by \$1 billion? Why not remove the entire amount?

The question is, Is this program essential to our posture in the world today? If it is realistic, how far should we go in appropriating money? The idea that to cut off a man's arm makes the other arm stronger does not appeal to the Senator from Rhode Island. The suggestion that if the guts are cut out of a bill, the administration of the program will be improved, does not appeal to me. To my way of thinking, that is not logical.

This bill is \$50 million less than the amount that we authorized in the Senate only a few months ago. The bill was cut by the House under the amount that was agreed upon in conference and the Senate committee has reduced the House bill further by \$92 million.

The argument that because OTTO PASSMAN's views do not prevail in the House subcommittee, the bill now before us is ruinous, does not appeal to me. To begin with, Mr. PASSMAN does not believe in foreign aid. I say that if Senators do not believe in foreign aid, they should vote against the bill.

The committee labored and labored. We have cut where we thought we could cut judiciously. We have reduced the amount below the figure that came to us from the House. It is \$50 million less than the bill that was passed only a short while ago after prolonged debate.

I say that a further cut of \$50 million is absolutely unnecessary. I hope the Senate will defeat the amendments.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. HOLLAND. I agree completely with the position of the Senator from Rhode Island. Congress only recently passed the authorization bill. That bill represented the consolidated opinion of the two Houses of Congress. We have now moved to a position in appropriations that is well under the amount of the authorization.

We know that the world is in a confused condition. We have seen only recently the benefits of this program in various parts of the world, where at least we appear to have strong influence in preserving the peace. Some of that influence, I believe, is chargeable to our long continued effort in the field of judiciously providing foreign assistance.

Of course, mistakes have been made, but I do not see how a better job could possibly have been done than has been done after the months of effort in committee. To rewrite the bill on the floor of the Senate would be a mistake. I therefore strongly back the position of the Senator from Rhode Island.

Mr. PASTORE. I thank the distinguished Senator from Florida. I shall end with this observation: The problem of Kashmir is 17 years old. The underlying cause of the problem in Kashmir is older than the life of this Republic. It is steeped in religious hatred and may well never be solved. Who knows? But it was because we were kind and benevolent to Pakistan and provided her with substantial aid, beginning in 1946, and because we were good and benevolent to the people of India, that the lines of communication were kept open; and now, today, there is a cease-fire agreement. How different it could have been. Who knows what might have happened?

We talk about Vietnam as our responsibility. I am told that it will cost the United States \$11 billion to carry on the war in Vietnam next year, unless it is resolved soon.

Who knows whether the settlement of the India-Pakistan dispute may not be the spark to ignite a beacon light for the United Nations to bring about a negotiated peace in Vietnam?

Yes, you may say that we shovel out our aid by the bushelful when we vote as we shall on this bill. But the world is in ferment. Its crises have deep roots. They are older than we are as a republic. The idea that this program is a failure because there are still sensitive spots in the world does not appeal to the Senator from Rhode Island.

I repeat: Do not cry over the premiums paid to buy fire insurance even if the house does not burn down. The United States is still intact. Ours is still the most affluent society in the world. If to preserve the security of a gross national product of \$665 billion means to spend in foreign aid and military assistance some \$3 billion, what better insurance can we buy to keep our society free and affluent?

I yield back the remainder of my time.

Mr. SALTONSTALL. Mr. President, no one is more desirous of seeing a peaceful settlement to the Kashmir conflict than is the senior Senator from Massachusetts.

The \$50 million for economic loans—not grants—will not interfere in any way, in my judgment, with our ability to solve the serious problem to which the Senator has referred.

Mr. President, I yield back the remainder of my time.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time having been yielded back, the question is on agreeing to the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL] on behalf of himself and other Senators. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. DODD], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from Maine [Mr. MUSKIE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Florida [Mr. SMATHERS], and the Senator from Connecticut [Mr. DODD] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 45, nays 35, as follows:

[No. 267 Leg.]

YEAS—45

Aiken
Allott
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Cooper
Cotton
Dirksen
Dominick
Eastland
Ellender

Ervin
Fannin
Fong
Gruening
Harris
Hickenlooper
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
McClellan
Miller
Morse
Morton

Mundt
Murphy
Neuberger
Prouty
Randolph
Robertson
Russell, S.C.
Russell, Ga.
Saltonstall
Smith
Symington
Talmadge
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—35

Bartlett
Bass
Bayh
Case
Church
Clark
Douglas
Hart
Hartke
Hayden
Hill
Holland

Inouye
Jackson
Javits
Long, Mo.
Long, La.
Magnuson
Mansfield
McGee
McGovern
McNamara
Metcalf
Monroney

Montoya
Moss
Nelson
Pastore
Pell
Proxmire
Ribicoff
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—20

Anderson
Bennett
Brewster
Curtis
Dodd
Fulbright
Gore

Kennedy, Mass.
Kennedy, N.Y.
McCarthy
McIntyre
Mondale
Muskie
Pearson

So the amendments offered by Mr. SALTONSTALL and other Senators were agreed to.

Mr. SALTONSTALL. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. AIKEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD subsequently said:

Mr. President, on the earlier vote on the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL], I regret to state that I was in the cloakroom when the vote was taken, did not hear the bell, and was not notified. Had I been present, I should have voted "nay."

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to Public Law 84-689, appoints Senator FRANK E. Moss, of Utah, to be an alternate delegate to the 11th NATO Parliamentary Conference, to be held in New York City between October 4-9, 1965.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 2127) to amend title 38, United States Code, in order to provide special indemnity insurance for members of the Armed Forces serving in combat zones, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8283) to expand the war on poverty and enhance the effectiveness of programs under the Economic Opportunity Act of 1964.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 30. An act to provide for participation of the United States in the Inter-American Cultural and Trade Center in Dade County, Fla., and for other purposes; and

H.R. 9247. An act to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred or placed on the calendar, as follows:

H.R. 30. An act to provide for participation of the United States in the Inter-American Cultural and Trade Center in Dade County, Fla., and for other purposes; to the Committee on Foreign Relations.

H.R. 9247. An act to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes; placed on the calendar.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and re-

September 23, 1965

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lated agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MORSE. Mr. President, I send to the desk an amendment and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The legislative clerk read as follows:

On page 4, line 25, strike out "\$1,170,000,000" and insert in lieu thereof: "\$1,145,000,000: Provided, That not to exceed \$52,284,000 of this appropriation shall be available for military assistance to Latin American countries".

The VICE PRESIDENT. How much time does the Senator yield?

Mr. MORSE. I yield myself such time as I may need.

Mr. President, in considering this appropriation bill, I would have the Senate keep in mind two factors that bear directly upon the amount of money involved:

First. That with the carryovers available from previous years, the funds the bill makes available for purposes of foreign aid are not the \$3.2 billion of new obligational authority, but \$3.5 billion; and

Second. That with all the various foreign aid functions that have been funded separately, the total being requested for the forthcoming fiscal year is not the \$3.5 billion in the foreign aid request, but a grand total of \$7.5 billion.

In particular, I would call attention to the fact that for many years, the entire aid program specifically for Latin America was included in the foreign aid bill. Now, we have provided separate funds for the Inter-American Development Bank, thus removing a very large segment of Latin American aid from the traditional foreign aid bill.

So there is no genuine comfort in the thought that this bill carries only \$3.2 billion. That is only one drop in the bucket of foreign aid Congress is furnishing.

There is no better analysis of the failures and shortcomings of the current aid program that I could present that would improve on the one submitted in the House of Representatives in the minority views of the House Appropriations Committee. It states, and summarizes, the basic objections to the program which should have been corrected by Congress many years ago. I quote:

Our examination of foreign aid spending requests for fiscal 1966 reveals that responsible cuts can be made without endangering U.S. foreign policy or its commitments to other nations. The American people are entitled to know, and this report outlines in considerable detail the following:

1. The magnitude of foreign aid spending is not fully known by the average taxpayer. Total requests for foreign assistance purposes have been submitted to Congress this year amounting to over \$7½ billion.

2. The unexpended balance (pipeline) as of June 30, 1965, is estimated to be over \$10.6 billion.

3. Our commercial trade balance with aid-recipient countries has dropped sharply since 1960. The Latin America commercial trade balance is particularly alarming.

Mr. President, on the Senate's time, I pause for order in the Senate.

The PRESIDING OFFICER (Mr. MONTROYA in the chair). The Senate will be in order.

Mr. MORSE [continuing the quotation]:

4. There is a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries.

5. We are frequently told not to worry about the dollars spent for foreign aid because most of them are spent in this country. Close examination reveals we are talking about only total commodity purchases. For example, in fiscal year 1963 \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion.

6. There is too much flexibility given AID in the use of appropriated funds with a lack of congressional control over foreign aid projects.

7. We are squandering too much of our national resources in what is vaguely called the "national interest" without a close examination by the Congress and the people of this country.

8. There is strong evidence of a lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself.

Greater emphasis must be placed upon (1) energizing and encouraging private development resources of our own and in the developing countries; (2) initiating projects of a grassroots nature such as feeding the hungry and education programs in which there are assurances of reaching the mass of people.

The minority views are devoted to an examination of those points. They are points that have never been answered nor corrected by the majority which continues to pass the same ineffective aid program year after year. They are the reasons why public confidence in foreign aid is almost nonexistent.

I ask unanimous consent that the minority views, and the additional views of Mr. CONTZ and Mr. ROBISON, from the House Appropriations Committee, be printed in full at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. The amazing thing about the debate and action on foreign aid year after year is the oblivion of the majority which supports this program to the concrete instances where it has failed utterly to do what is claimed for it in the congressional debates. What more can be said about the value of foreign aid to the United States after the debacle between two recipients of huge amounts of aid, India and Pakistan? Only Korea and Taiwan of the underdeveloped world have received more aid from us than have these two countries. They have received all this economic and military aid on the basis of their serving as a bulwark against Communist China.

Instead, they used the hundreds of millions of dollars worth of military equipment we had given them against each other. By so doing, they not only weakened themselves, and thus undermined the value of our even more extensive economic aid, but they have gravely weakened the peace and stability of all of non-Communist Asia. The net result of our shortsighted aid policy to these two countries has been a considerable

gain for Communist China. Communist China is the winner of the India-Pakistan war, and she is the chief beneficiary, to date, of our policy of indiscriminate military aid to two hostile neighbors.

That is why I have said that our current aid program is making hay for the Communists, not for the United States.

Yet the Congress refuses to face these facts. The Congress refuses to admit that much of the basis for aid simply is not supported by what is really going on in the world. We prefer to live in the dream world conjured up for us by the aid agency, the Pentagon, and the Department of State.

Take the theory that military aid and supporting assistance are a substitute for U.S. soldiers. Nowhere have we sent more military aid and supporting assistance, relative to population, than to South Vietnam. It has not replaced American soldiers. American soldiers have had to go over to Vietnam to try to retrieve the damage done by years of indiscriminate U.S. aid that did little more than line the pockets of a few corruptionists in the South Vietnam Government. In the case of military aid, we have sent our soldiers over there to fight against the very same weapons we have been sending to the South Vietnam Government for 10 years.

The same situation is going to prevail in Thailand. Thailand is never going to save itself with American military aid and budget support. If our present policy persists, and events continue unaltered on their present course, American soldiers are going to have to be sent to Thailand, too, to undo the mistakes of our misguided aid policy in that country, for in Thailand, too, we are sponsoring corruptionists and furnishing them with the goods and cash that is making them the ideal target for unrest and resentment among the people.

And never will the fantasies of the military aid advocates be disproved more completely than they have been disproved in the Dominican Republic. In the year and a quarter that we sent aid to the junta headed by Donald Reid Cabral, it totaled \$61 million, for one of the largest per capita aid programs anywhere in the world. A great deal of it was military aid. Did it stabilize the country? Did it contribute to internal security? Did it relieve American soldiers of the task of policing the hemisphere, as we police the entire world?

Not at all. The heavy military program we sponsored in the Dominican Republic helped fan the flames of resentment against the junta. When the opportunity presented itself, large numbers of the guns and even the tanks we had furnished the Dominican armed forces were turned over to the rebels. Our weapons were turned on the people they were supposed to keep in power. And once again, more than 20,000 American troops had to be sent to the country in order to retrieve what we believed were American security interests. When they got there, they faced the very guns and weapons that Congress and the ad-

ministration, in their ignorance, had furnished so freely to a government that should never have had them.

It is a conservative estimate that more than half of what we are currently furnishing to Latin American military establishments is in the same class with that we furnished to the Dominican Republic. In many cases, it is helping to create a military establishment that becomes only a target for all those among the masses of the people who seek far-reaching changes in their economic conditions. Only luck, not wisdom, will save the United States from facing our own guns in Latin America many times over, in country after country.

That is why I have an amendment putting a ceiling of \$52,264,000 on the total of military aid to the hemisphere. This ceiling applies to all military programs, both grant equipment and training.

As chairman of the Subcommittee on American Republics Affairs, I wish to provide adequate military aid to Latin American countries, in order to keep down Communist coups. But they do not need the kind or extent of military aid we are sending to Latin America to keep down Communist coups. They do not need tanks, heavy materiel, or heavy equipment. They do not need submarines, or jet fighters, or hardware in large amounts to keep down Communist coups. What that kind of military aid does is build up military oligarchies and a military class throughout Latin America. That military class, in country after country, is keeping down freedom and playing directly into the hands of the Communists. The military aid we send should be military aid which is usable by free governments, in order to help preserve the freedom of their governments against potential Communist coups. Some of the governments of this hemisphere should have little or no military aid from us at all.

Mr. President, my amendment provides for a reduction of \$25 million in what is programmed for hemisphere grants and training, as outlined in the reports of the House and Senate Appropriations Committee.

I could cite no better endorsement, justification, and explanation of my amendment than the paragraphs submitted to the House by Representatives CONTE and ROBISON, when they said:

In a new or reinforced program of selectivity in our assistance efforts, we recommend that one area of emphasis be Latin America. The potential and the need for development there have been long overlooked and short-changed. There are pressing needs for agrarian and tax reform in Latin America.

And I would say parenthetically that our military aid is doing much to thwart the agrarian and tax reform without which turmoil in Latin America is going to get much worse—

We are just beginning to see the results of the progress that has been made possible under the Alliance for Progress. Latin America is truly on the march and we must insure that momentum is maintained. We can do so by more selective and intensified economic assistance efforts.

NEED FOR A NEW APPROACH TO MILITARY ASSISTANCE FOR LATIN AMERICA

We do not support the continued high level of military assistance to Latin America. The appropriation request for this funding category has systematically increased with each passing year despite a materiel limitation of \$55 million. We are not convinced that, in every instance, these funds are applied only toward the intended goal—the maintenance of the internal security of the individual Latin American countries.

These funds could well be an enabling factor in any Latin American country's build-up of military capabilities for external aggression and in many of the coups that have taken place in Latin America.

We recommend that early and serious consideration be given to a regional military defense organization for Latin America similar to NATO. The value of such a regional organization would be manifold. It would enable us to eliminate or curtail the grants of military assistance to individual Latin American countries. It would provide on identification of interest and purpose, common to all of the Latin American countries, for the defense of Latin America.

It is essential that these nations realize that the Communist threat affects all Latin American nations, not just a few. While these countries are, of course, independent entities, the successful resistance of any one country to this threat may well be dependent upon the combined efforts of all, singularly and forcefully brought to bear on the common foe.

We have had the lesson of India and Pakistan, the lesson of Greece and Turkey, and the lesson of the Dominican Republic. Yet like the Bourbons, the American overseas aid programs forget nothing, and learn nothing. Congress and the administration have learned nothing from the experience with aid of the last 2 years. But I think the American people are learning a lot. It may be that the only history we will ever learn from will be the lesson taught at the ballot box.

Mr. President, I offer my amendment because I am satisfied that it is a sound amendment. I offer it because I believe it will greatly strengthen the progress of economic aid in Latin America. The great need for strengthening economic programs in Latin America is to reduce the military aid program. I have stated many times in committee, and on the floor of the Senate, that I would be willing, for every dollar we take away from military aid, to give \$2 for economic aid that would help raise the standard of living of the people in Latin America.

Now, my amendment offers the Senate the opportunity to reduce by \$25 million the military aid to Latin America. I am satisfied that by so doing we would strengthen the ability of Latin America to protect itself internally, country by country, because we would put the cash where it belongs, into the kind of military aid necessary to meet threats of Communist coups.

EXHIBIT 1

MINORITY VIEWS

For many years some very basic reasons have been presented to the Congress setting forth the need for redirecting our whole foreign aid program. American taxpayers in growing numbers have expressed dissatisfaction with many aspects of the foreign aid

program. It is to be hoped that a reshaping of this program soon will be implemented.

The Congress and the American people have the right to know the magnitude of U.S. programs of foreign assistance. It might be said that foreign aid comes in "assorted sizes and shapes." This appropriations bill calls for over \$3 billion in expenditures. But foreign aid is scattered throughout 10 bills presented to the Congress. Total requests of approximately \$7.5 billion for foreign assistance purposes have been submitted.

We believe that further substantial reductions can and should be made in the present programming of the 1966 foreign assistance appropriations bill. We certainly do not advocate the denial of any necessary military or economic assistance to the South Vietnamese which would help hasten a Communist defeat and speed the return of U.S. servicemen from that theater of war.

However, in view of the war in Vietnam and the growing American commitment there, it is incumbent upon the administration and the Congress to review every program, both foreign and domestic, and either postpone or eliminate unnecessary spending.

Our examination of foreign aid spending requests for fiscal 1966 reveals that responsible cuts can be made without endangering U.S. foreign policy or its commitments to other nations. The American people are entitled to know, and this report outlines in considerable detail the following:

1. The magnitude of foreign aid spending is not fully known by the average taxpayer. Total requests for foreign assistance purposes have been submitted to Congress this year amounting to over \$7½ billion.
2. The unexpended balance (pipeline) as of June 30, 1965, is estimated to be over \$10.6 billion.
3. Our commercial trade balance with aid-recipient countries has dropped sharply since 1960. The Latin America commercial trade balance is particularly alarming.
4. There is a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries.
5. We are frequently told not to worry about the dollars spent for foreign aid because most of them are spent in this country. Close examination reveals we are talking about only total commodity purchases. For example, in fiscal year 1963, \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion.
6. There is too much flexibility given AID in the use of appropriated funds with a lack of congressional control over foreign aid projects.
7. We are squandering too much of our national resources in what is vaguely called the "national interest" without a close examination by the Congress and the people of this country.
8. There is strong evidence of a lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself.

Greater emphasis must be placed upon (1) energizing and encouraging private development resources of our own and in the developing countries; (2) initiating projects of a grassroots nature such as feeding the hungry and education programs in which there are assurances of reaching the mass of people.

MAGNITUDE OF FOREIGN AID PROGRAM

There is an apparent lack of knowledge on the part of the average taxpayer on the magnitude of our total foreign spending. During the subcommittee meetings the Honorable OTTO PASSMAN, chairman of the Subcommittee on Foreign Operations, presented charts and other information which are based on the hearings held this year by the subcommittee. This information should be made known to the Congress and the people

of the country who have the right and are entitled to know the facts as presented by the informational charts and tables which follow.

The dollar figure most widely quoted for the cost of the foreign assistance program is \$3.4 billion. However, the President is requesting during this session of the Congress approximately \$7.5 billion for foreign assistance purposes. The table below indicates the various foreign assistance programs contained in the President's amended January budget:

New foreign aid funds requested in 1965

| | |
|-------------------------------------------------------------------|-----------------|
| 1. Foreign assistance requests, as amended (mutual security)----- | \$3,459,470,000 |
| 2. Receipts and recoveries from previous credits----- | 209,770,000 |
| 3. Military Assistance Advisory Group----- | 76,000,000 |
| 4. Export-Import Bank (long-term credits)----- | 900,000,000 |
| 5. Public Law 480 (agricultural commodities)----- | 1,658,000,000 |
| 6. Inter-American Development Bank (Latin America)----- | 705,880,000 |
| 7. International Development Association (IDA)----- | 104,000,000 |
| 8. Peace Corps----- | 115,000,000 |
| 9. Contributions to international organizations----- | 96,953,000 |
| 10. Permanent construction overseas (military)----- | 85,986,000 |
| 11. Education (foreign and other students)----- | 69,200,000 |
| 12. Ryukyu Islands----- | 14,733,000 |
| 13. Migrants and refugees----- | 7,575,000 |
| 14. Atomic Energy Commission (overseas)----- | 5,900,000 |
| 15. Inter-American Highway (Latin America)----- | 4,000,000 |
| Total new foreign aid requests, first 6 months of 1965----- | 7,512,467,000 |

The unexpended balance as of June 30, 1965, for the above-named programs or activities is estimated to be \$10,605,738,000. This is commonly referred to as the foreign aid "pipeline."

Complaints about the bottomless pipeline of unspent money and unobligated authority nearly always fall on deaf ears. However, this report should at least mention the Congress has approved virtually all of the \$7.5 billion requested for the foreign aid program as indicated in the foregoing table and thus approximately \$7 billion should be added to the \$10.6 billion in the pipeline.

We want to emphasize that this appropriation bill does not contain the funds for Public Law 480 (agricultural commodities), \$1.7 billion; military assistance advisory group, \$76 million; contributions to international organizations, \$97 million; permanent construction overseas (military), \$86 million; education, \$69.2 million; Atomic Energy Commission (overseas); \$5.9 million; or Inter-American Highway, \$4 million.

At one point in the hearings the contention was made and not challenged that 53 international groups or subgroups are engaged in some form of activity which contributes to our total foreign aid effort.

We are helping 98 countries and 4 territories in fiscal year 1966. We think the American people ought to insist on a continuing objective analysis of the so-called "barebones" foreign assistance program.

U.S. COMMERCIAL TRADE BALANCE WITH AID-RECIPIENT COUNTRIES

Annually the committee has been told that the aid program helps develop markets for our exports. This year Secretary Rusk testified:

"There are substantial future markets in the developing nations. As development

picks up momentum, the peoples of these nations will be able to buy more from us and from other countries. The less developed countries are determined to grow—to buy more and to sell more. The United States can reasonably expect to get its fair share of these expanding markets. In addition, as these economies grow, there will be an increase in returns on growing American private investment in the less developed areas. Thus, foreign aid is a minor adverse factor in the current balance-of-payments problems; it is a strong positive factor over the long run."

It is important that the commercial trade balance be considered. Like a checking account, the balance in black is the most important factor. It is encouraging to make large deposits but if we make larger withdrawals, the balance goes into the red and we are in trouble.

The subcommittee chairman converted data obtained during the hearings into a worldwide graph and four regional graphs which portray our commercial trade balance which is the net of U.S. exports (excluding economic assistance-financed exports) and U.S. imports.

Inasmuch as we have been extending aid for many years—some of the countries included in the graph have been in the program since the Marshall plan era—it would appear, if foreign aid opens the way for U.S. trade, that our commercial trade balance should be on a rising trend. Instead, our commercial trade balance is on a very significant downward glide, as evidenced in the worldwide graph.

It is clearly obvious from the first graph that our commercial trade balance with aid-recipient countries has dropped sharply since 1960 and, of the four regional graphs, the only area that seems to indicate a rising trend is the Far East (excluding Japan) where the commercial trade balance has increased from -\$209 million in 1959 to +\$7 million in 1963. The Latin America commercial trade balance is alarming as our imports from Latin America exceeded our exports by \$159 million when we started the

Alliance for Progress program in 1960. In 1963 our imports from Latin America exceeded our exports by \$670 million.

PURCHASE OF U.S. GOLD BY FOREIGN COUNTRIES RECEIVING U.S. AID

We are concerned about the outflow of gold. It will be argued by some that it has no bearing, but we feel there has been a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries—in other programs as well as the part of the foreign aid program which is now under consideration.

We are frequently told not to worry about the dollars spent for foreign aid—that most of them are spent in this country. Former Treasury Secretary Dillon said at a White House conference on February 18, 1965, "Today a full 85 percent of our foreign aid commitments go for American goods and services."

During our hearings we received testimony that the 85 percent applies only to total commodity purchases—in fiscal year 1963, \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion. The rest was spent for overseas products, for foreign labor and for the almost 3,500 personnel who were stationed overseas to administer aid. In 1963, 78 percent of the aid which was spent for commodities was spent in the United States, but for the total program of grants and loans only 16.5 percent was spent in this country. In 1964 the percentage of commodity purchases made in this country was 87 percent—but this was only 18.5 percent of the total, or less than \$1 billion. The profit on \$1 billion in sales is probably between \$100 and \$150 million (10 to 15 percent)—a high cost to all the taxpayers in addition to the harm to the balance of payments for the \$100 million profit.

The following table is an updating of the one included in the committee report last year and reflects the gold purchases of 57 countries who have received military and/or economic assistance during the 7-year period, 1958-64:

Net sales of U.S. gold to foreign aid program recipients

(In millions of dollars—Negative figures represent net sales by the United States; positive figures represent net purchases)

| Country | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | Total |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|----------|
| Algeria | | | | | | -15.0 | | -15.0 |
| Argentina | +67.2 | | -80.0 | -90.0 | +85.0 | -30.0 | | -17.8 |
| Austria | -84.2 | -82.7 | -1.1 | | -142.5 | -32.1 | | -398.0 |
| Belgium | -329.4 | -38.5 | -140.9 | -144.4 | -63.0 | | -55.4 | -756.3 |
| Burma | | | -3.8 | | -20.9 | | | -24.7 |
| Cambodia | | | -12.0 | -3.1 | -1.7 | +3.2 | | -13.6 |
| Cameroun Republic | | | | | | -1.9 | | -1.9 |
| Central African Republic | | | | | | -7 | | -7 |
| Ceylon | | -7.5 | | | | | | -7.5 |
| Chad | | | | | | -7 | | -7 |
| Chile | +5.0 | -1.3 | -2.0 | -6.6 | | | -2.3 | -9.2 |
| Congo (Leopoldville) | | | | -2.3 | -5 | -3.1 | +1.6 | -1.5 |
| Costa Rica | | | | -2.0 | | | | -2.8 |
| Cyprus | | | | | | | | -2.0 |
| Dahomey | | | | | | -8 | | -8 |
| Denmark | -17.0 | -15.0 | -15.0 | -35.0 | +15.0 | | | -67.0 |
| Dominican Republic | | | | -3.0 | | | -2.6 | -5.6 |
| Ecuador | | | | | -3.2 | -2.3 | | -5.5 |
| Egypt | | | -7.6 | -7.6 | -1.2 | -2.2 | -10.8 | -29.5 |
| France | -4.7 | -3.0 | | | | | | -7.7 |
| Germany (West) | -265.7 | -173.0 | | | -469.1 | -517.7 | -405.1 | -1,820.6 |
| Ghana | | | -33.8 | -22.5 | | | | -56.3 |
| Greece | | -15.0 | -8.6 | | | | | -24.6 |
| Guinea | | | -47.0 | -10.2 | -19.1 | | | -76.3 |
| Honduras | | | -8 | | | -2.8 | | -10.8 |
| Indonesia | | -11.0 | -24.9 | | | | | -35.9 |
| Iran | -2.3 | | -4 | -16.1 | | -5.9 | | -24.7 |
| Iraq | | -4.4 | -29.8 | | | | | -34.2 |
| Israel | | | | | -10.0 | -7.0 | | -17.0 |
| Italy | -348.8 | | | +100.0 | | | | -248.8 |
| Ivory Coast | | | -15.2 | | -1.5 | | | -16.7 |
| Japan | -30.1 | -157.4 | | | | | | -187.5 |
| Korea | | -1.6 | | | | | | -1.6 |
| Laos | | | | -1.9 | | | | -1.9 |
| Lebanon | | | | -21.0 | -32.1 | | | -53.1 |
| Mauritania | | | | | | | | |
| Mexico | | -30.0 | -20.0 | | | -4.0 | | -54.0 |
| Morocco | | | -21.0 | | | | | -21.0 |
| Netherlands | -260.9 | -29.0 | -249.4 | -24.9 | | | -60.0 | -624.2 |
| Niger | | | | | | -8 | | -8 |

Net sales of U.S. gold to foreign aid program recipients—Continued

[In millions of dollars—Negative figures represent net sales by the United States; positive figures represent net purchases]

| Country | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | Total |
|------------------------|----------|----------|----------|--------|----------|--------|--------|----------|
| Nigeria..... | | | | -20.0 | | | | -20.0 |
| Pakistan..... | | | -12.5 | | | | | -12.5 |
| Peru..... | | | -15.0 | -5.0 | -0 | -10.6 | | -31.2 |
| Portugal..... | -20.0 | -10.0 | | | | | | -30.0 |
| Salvador..... | | | | | | | -2.2 | -2.2 |
| Saudi Arabia..... | | | -11.3 | -47.5 | -12.6 | | | -71.4 |
| Senegal..... | | | | | | -1.7 | | -1.7 |
| Somalia..... | | | | | -1.9 | | | -1.9 |
| Spain..... | +31.7 | | -113.7 | -150.2 | -146.1 | -130.0 | -32.0 | -546.3 |
| Syria..... | | | -2.1 | | -1.3 | -4 | -3.1 | -6.9 |
| Tunisia..... | | | -5 | | -5 | -5 | | -15 |
| Turkey..... | | | -6.1 | -2.5 | -1.1 | +2.0 | +1.3 | -6.4 |
| United Kingdom..... | -900.0 | -350.0 | -550.0 | -305.7 | -387.0 | +320.3 | +617.7 | -1,545.7 |
| Upper Volta..... | | | | | | -8 | | -8 |
| Yugoslavia..... | | -1.5 | -15.9 | | -1.5 | -1.9 | -2.5 | -23.3 |
| Not sales of gold..... | -1,890.8 | -1,026.2 | -1,583.3 | -827.7 | -1,207.4 | -439.9 | -38.0 | -7,013.3 |

In addition to the purchase of \$7,013,300,000 of U.S. gold stocks, 14 of the above-listed countries purchased an additional \$769,100,000 of our gold during the first quarter of calendar year 1965.

Data furnished to the committee by the Treasury Department covering most of the 57 countries listed in the preceding table indicates that these countries also increased their short-term dollar holdings, official and private, from \$9.73 billion on December 31, 1957, to \$14.541 billion on December 31, 1964.

During the 7-year period the 57 countries listed in the foregoing tabulation received \$14,434,900,000 in military and/or economic assistance from the United States. (In addition there were hidden benefits, such as favorable tariffs on beef imports, coffee agreements, and world sugar quotas.) This leads us to conclude that our financial assistance to those countries enabled them to accumulate over \$4.811 billion in short-term dollar credits and to purchase over \$7 billion of our gold.

MORE MONEY AVAILABLE FOR ECONOMIC PROGRAM IN 1966

The committee recommendation of \$2.115 billion for economic aid for 1966 compared with the 1966 budget estimate indicates a cut of \$174,470,000.

That is only part of the story. A comparison of the amount available for the program, including carryover of unobligated balances, etc., reveals that there will be \$45,842,000 more available for 1966 than 1965.

There are three large increases in 1966 over 1965: International organizations and programs category is up \$10.4 million; Alliance for Progress development loans show an increase of \$16.5 million and the development lending program, exclusive of the Latin American area, will have \$14 million more.

The following table indicates the detail:

Economic assistance

[In thousands of dollars]

| | Total available, 1965 | Total available, 1966 | Comparison—Total available |
|---------------------------------------------------|-----------------------|-----------------------|----------------------------|
| Technical cooperation and development grants..... | 230,510 | 234,000 | +3,490 |
| American schools and hospitals abroad..... | 17,800 | 7,000 | -10,800 |
| Surveys of investment opportunities..... | 2,186 | 1,976 | -210 |
| International organizations and programs..... | 134,392 | 144,755 | +10,363 |
| Supporting assistance..... | 442,468 | 384,012 | -58,456 |
| Contingency fund: | | | |
| General..... | 60,364 | 52,858 | -7,506 |
| Southeast Asia..... | | 89,000 | +89,000 |
| Alliance for Progress: | | | |
| Technical cooperation and development grants..... | 95,164 | 84,592 | -10,602 |
| Development loans..... | 471,314 | 487,811 | +16,497 |
| Development loans..... | 812,556 | 828,517 | +15,961 |
| Administrative expenses, AID..... | 57,189 | 57,081 | -108 |
| Administrative expenses, State..... | 3,041 | 3,100 | +59 |
| Total, economic assistance..... | 2,328,780 | 2,372,622 | +43,842 |

NO-YEAR FUNDS

Of the amount requested for fiscal year 1966 for economic aid, 58 percent are "no-year appropriations." In other words, of the administration's request, \$1.3 billion will not expire on June 30, 1966, if not obligated. In fact, the \$1.3 billion will never expire. At the request of Mr. GARNER E. SHRIVER, the following information was presented by AID:

Amount of fiscal year 1966 request for economic assistance (AID) appropriations to be provided on a no-year basis

[In thousands]

| | Requested appropriations | Percent of total economic appropriations requested |
|----------------------------------|--------------------------|----------------------------------------------------|
| Development loans..... | \$780,250 | 35.5 |
| Alliance for Progress loans..... | 495,125 | 22.5 |
| Total..... | 1,275,375 | 58.0 |

EMPLOYMENT

There are three types of employees in the economic aid program:

1. Direct hire employees—the regular Federal employees, including U.S. nationals and foreign nationals—the employees shown in the personnel tables issued by the Administration and printed in the budget.

2. Other than direct hire employees—U.S. nationals, and foreign nationals who are contract employees or employees borrowed from other agencies on a reimbursable basis.

3. Foreign national trainees.

During the hearings, at the request of the distinguished chairman of the subcommittee, a table was inserted in the record on employment in both the economic and military assistance programs.

It was astonishing to learn there were 33,139 employees in the economic aid program on June 30, 1965, a net increase of 370 in 15 months. Employment of U.S. nationals increased at the amazing rate of 1,536 in those 15 months, while employment of foreign nationals and foreign national trainees was cut 1,166.

The subcommittee was told there were 15,600 regular direct hire employees on June 30, 1965. That was an increase of 50 over the January budget. To arrive at the 15,600, U.S. nationals were cut only 61—to 6,719—below March 31, 1964, but a much larger cut of 745—to 8,881—was assigned to foreign nationals.

"Other than direct hire" of U.S. nationals jumped to 5,208, an increase of 1,597, while foreign nationals for the same period decreased by 12 people—to 847. Foreign national trainees were cut in the same period by 409 to 11,484.

Strong supporters of the aid program argue that foreign national trainees are not employees of the United States on a technical basis. Regardless of semantics, they receive the benefit of the funds of the United States.

The following table was prepared from data submitted by the administration during the hearings:

Foreign Assistance Act program, military and economic—Summary of personnel

| | Economic | | | | | Military | | |
|--------------------------------|---------------|---------------|---------------|----------------------------------|----------------------------------|---------------|----------------------------------|------------|
| | Mar. 31, 1964 | Mar. 31, 1965 | June 30, 1965 | Comparison | | Mar. 31, 1964 | Mar. 31, 1965, and June 30, 1965 | Comparison |
| | | | | Mar. 31, 1964, and Mar. 31, 1965 | Mar. 31, 1964, and June 30, 1965 | | | |
| U.S. nationals: | | | | | | | | |
| Direct hire..... | 6,780 | 6,634 | 6,719 | -146 | -61 | 10,172 | 11,153 | +981 |
| Other than direct hire..... | 3,611 | 3,966 | 5,208 | +355 | +1,597 | 134 | 100 | -34 |
| Total, U.S. nationals..... | 10,391 | 10,600 | 11,927 | +209 | +1,536 | 10,306 | 11,253 | +947 |
| Foreign nationals: | | | | | | | | |
| Direct hire..... | 9,626 | 8,888 | 8,881 | -938 | -745 | 1,991 | 1,454 | -537 |
| Other than direct hire..... | 859 | 847 | 847 | -12 | -12 | 5,081 | 4,053 | -978 |
| Total, foreign nationals..... | 10,485 | 9,535 | 9,728 | -950 | -757 | 7,072 | 5,507 | -1,515 |
| Foreign national trainees..... | 11,893 | 11,484 | 11,484 | -409 | -409 | 21,319 | 16,968 | -4,351 |
| Total: | | | | | | | | |
| Direct hire..... | 16,406 | 15,522 | 15,600 | -1,084 | -806 | 12,163 | 12,607 | +444 |
| Other than direct hire..... | 4,470 | 4,613 | 6,055 | +343 | +1,585 | 5,165 | 4,153 | -1,012 |
| Foreign national trainees..... | 11,893 | 11,484 | 11,484 | -409 | -409 | 21,319 | 16,968 | -4,351 |
| Total..... | 32,769 | 31,619 | 33,139 | -1,150 | -370 | 38,647 | 33,728 | -4,919 |

September 23, 1965

Foreign Assistance Act program, military and economic—Summary of personnel—Continued

Total economic and military employees:

| | |
|---------------|--------|
| Mar. 31, 1964 | 71,416 |
| Mar. 31, 1965 | 85,347 |
| June 30, 1965 | 86,867 |

INITIATION OF PROJECTS NOT
PRESENTED TO CONGRESS

Testimony this year again confirmed the statement that the foreign aid program is presented to the Congress on an "illustrative" basis—that is, the agency requests funds for a project in one country but may spend the funds for a different type of program in another country.

For example, Chairman PASSMAN asked, "You could actually testify for funds for a road in Pakistan, and build a brick building in India, and still be within the law, could you not?"

Mr. Macomber, assistant administrator, Bureau for Near East and South Asia, answered, "That is correct."

Chairman PASSMAN asked a similar question of Mr. William D. Rogers, deputy U.S. coordinator, Alliance for Progress:

"You could, under the law, testify for a building and loan bank in Guatemala and build a mountain resort with that money in Brazil if it qualified, could you not?"

Mr. Rogers. Yes, sir.

The flexibility under the authorization for use of appropriated funds is a primary factor in the ability of the administration to initiate projects that have never been presented to the Congress—even on an illustrative basis. It is our opinion that very few of these projects are of such vital importance to our national interest that they must be initiated without having first been presented to the Congress. The following table indicates the extent and cost of the practice in the past 3 years:

| Project initiation | Number of unjustified projects | First year cost | Estimated cost to complete |
|--------------------|--------------------------------|-----------------|----------------------------|
| Fiscal year 1963 | 82 | \$17,753,000 | \$50,905,000 |
| Fiscal year 1964 | 60 | 7,202,000 | 21,967,000 |
| Fiscal year 1965 | 83 | 14,302,000 | 44,625,000 |

MISDIRECTION

The following is an example of the misdirection of the economic aid program.

One of the Members of the House of Representatives received a letter from a young man in the Peace Corps in Ecuador telling how the town of Bahia, a coastal village of some 8,000 inhabitants, was an excellent farming region until the midfifties when it was hit by a severe drought, and since then people had been leaving the area. The rains returned last year and the harvests were nearly as abundant as prior to the drought.

US-AID has a project called "Asimow" to provide technical assistance to underdeveloped countries to help set up small locally owned industries. Last year Bahia was selected as the site to be studied for development of a small industry. The natives were very hopeful as the town has a completely agricultural economic base and not one industry. US-AID hired a university staff to make the study, but instead of assigning highly trained technical experts, a group of undergraduates was sent. The natives were skeptical but accepted them and raised \$60,000 to begin a corn products industry as was suggested. Late last fall came word the study was incomplete and the industry suggested would fail if tried.

When Mr. Garner E. Shriver read the letter to AID Administrator Bell on May 4, he promised to submit a statement for the records. An explanation had not arrived by the time the hearings went to press. In fact a reply was not received until June 30. The lack of available information in Washington, and slow transmittal of a reply from

the area is a further example of the inefficient operation of the program.

DAIRY DEVELOPMENT IN JAMAICA

Last year the committee and subsequently the Congress approved in the Foreign Assistance Appropriation Act the so-called Whitten proviso which reads as follows:

"Of the foregoing amounts for economic assistance, \$300 million shall be available for obligation only through the apportionment review and approval procedure prescribed by law in such amounts and at such times as may be determined by the President to be in the national interest that funds otherwise available for the purposes of programs under this title are insufficient to meet the cost of additional authorized projects or programs."

On June 22, 1965, the President signed a determination in accordance with the above requirement, releasing \$182 million for use in the Development Loan and Alliance for Progress loan accounts. Subsequent to that date, using the funds released by the President and other uncommitted funds in the loan accounts—all of which had been taken into account when the recommendation for releasing part of the Whitten proviso reserve was made to the President—the following loans were authorized prior to the end of the fiscal year:

(In thousands of dollars)

| Loan No. | Name | Amount |
|------------|---------------------------------------------|---------|
| 618-II-003 | Kenya—Polytechnic Institute | 550 |
| 664-II-025 | Tunisia—Highway Equipment and Maintenance | 6,750 |
| 386-II-143 | India—Dhuvaran Thermal Power | 32,300 |
| 286-II-144 | India—Durgapur Projects (II) | 16,500 |
| 271-II-112 | Israel—Telephone Equipment | 4,000 |
| 278-II-003 | Jordan—Damia Junction—Northshovna Road | 1,640 |
| 277-II-061 | Turkey—Domirkoz-A; aneik Sawmills | 2,750 |
| 277-II-062 | Turkey—Feasibility Studies | 4,000 |
| 277-II-063 | Turkey—Keban Hydro Electric Project | 40,000 |
| 512-L-051 | Brazil—Sao Paulo Electric Distrib. | 15,000 |
| 512-L-050 | Brazil—Rio Light Electric Distrib. | 25,000 |
| 504-L-001 | Br. Guyana—Atkinson Field—MacKenzie Road | 5,500 |
| 513-L-026 | Chile—I.F.I. Coop. Dev. Bank | 3,650 |
| 513-L-027 | Chile—C.O.R.F.D. Dev. Bank | 6,000 |
| 513-L-028 | Chile—Fertilizer Import Prog. | 3,600 |
| 515-L-018 | Costa Rica—Rural Electrification | 3,300 |
| 518-L-026 | Ecuador—C.O.F.I.E. Private Dev. Bank | 3,000 |
| 518-L-027 | Ecuador—Primary Education Improvement | 5,300 |
| 519-L-009 | El Salvador—Rural Road Construction | 1,200 |
| 532-L-005 | Jamaica—Dairy Development | 3,800 |
| 524-L-011 | Nicaragua—Tax Improvement & Resources Study | 5,400 |
| | 3 loans authorized but not yet announced | 16,300 |
| | Total | 206,540 |

One of the items listed above is for \$3.8 million for dairy development in Jamaica. Was that expenditure of taxpayers' money in the national interest? These words "national interest" are greatly overused. Any giveaway could conceivably be argued to be in the national interest.

Witnesses for the AID keep returning to the "national interest" theory. We are for the national interest, too, but we do not feel it is served by squandering our resources.

The list of weaknesses in the foreign aid program area is almost without end. Two related defects, one of them chargeable to Congress itself, are: 1. The increasing willingness of the Congress to abdicate its responsibility to control foreign aid funds, and

2. Strong evidence of lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself, despite occasional devices such as the Whitten proviso which placed \$300 million in escrow until such time as AID officials clearly demonstrated they had no more money to carry out an authorized program of economic assistance.

REPORT OF PRESIDENTIAL ADVISORY COMMITTEE
ON PRIVATE ENTERPRISE IN FOREIGN AID

"Foreign aid, unless it is amplified by private initiative, is doomed to be a costly palliative that will go on indefinitely. The fundamental difficulty lies not in the idea of foreign aid, nor its execution by the Agency for International Development, but in the vast gap between the human and financial resources actually going into the developing nations and the resources they need to grow at an acceptable rate."

The foregoing quotation is from a summary report released on August 26, 1965, by the President of the United States. Its author is Arthur K. Watson, chairman, IBM World Trade Corp., and chairman of the Advisory Committee on Private Enterprise in Foreign Aid.

The undersigned minority members of the Appropriations Committee subscribe substantially to the aforesaid doctrine. Elsewhere in the letter transmitting the 53-page report, Mr. Watson says: "No matter how carefully our aid dollars are invested and no matter how wise and energetic AID's personnel may be, there is still not enough money nor people to accomplish the vast task the United States has undertaken."

The report goes on to urge that our foreign assistance efforts put increasing stress on energizing and encouraging private development resources, our own and those of the developing countries.

This document might appear self-serving if the advisory committee were comprised only of persons engaged in international commerce. But such is not the case; the makeup of the committee shows educators, a labor executive, a jurist, and a farm co-op leader.

There is almost no certain place at which to begin and clearly no place whatsoever to end a critique on our foreign assistance programs.

We are told foreign aid is a tool of our foreign policy. That suits us fine, but here again we feel AID management misses the mark too many times.

In the matter of serving up aid to countries whose leaders have clearly demonstrated inimical feelings toward the United States, we think the Congress should insist in the strongest terms that such countries be denied any form of aid.

The American public must be puzzled when it reads about the following exchange between the subcommittee chairman and Mr. Edmond C. Hutchinson, Assistant Administrator, Bureau for Africa, AID:

"Mr. HUTCHINSON. We do not like to provide aid to people who spit in our faces."

"Mr. PASSMAN. Then why do you give it to them?"

"Mr. HUTCHINSON. There are circumstances in which there is a balance of U.S. interest involved."

Now, how often do we have to turn the other cheek?

In the Senate during this year's debate on Foreign Assistance, Senator JACK MILLER re-offered his amendment to withhold U.S. foreign aid from those nations more than 1 year in arrears in their U.N. dues and assessments, reserving reasonable exceptions to be made

by the President. It was once more opposed by the administration, and consequently defeated.

It is difficult to place oneself in the position of going against so much "blue chip" testimony that any reduction in foreign aid would damage the vital interest of the United States. But in prior years such reductions have been made without impairing our image. Our image may have suffered some impairment around the world but not on account of a reduced foreign aid program.

EFFICIENT MANAGEMENT ESSENTIAL

Even so, we are not talking so much about reduction per se as efficient management.

Three billion dollars or even more in foreign aid could well be supportable if our country and our aims in the world affairs were getting that much good out of it. But even one-third of that much money would be too much if it were being wasted, as much of these funds are at the present time.

Much has already been said about the great infrastructure flexibility of the AID funds, so we won't belabor that again. But the AID personnel should not abuse their transferability privileges so flagrantly. As was said on the House floor during last year's debate on this bill: "There is looseness in control and application of funds and programs. Only after the money is spent and gone do we learn of bungling, mismanagement, and waste." There must be some way to provide tighter congressional control over these programs, before the money has been wasted and the chance to gain support abroad dissipated.

The AID Administrator praised the quality of his overseas project personnel. We are pleased he has such a high regard for them, but has any one of them ever tried to justify a project's cost/benefit ratio to the U.S. Corps of Engineers and the appropriate congressional committees? If these projects were submitted to the same tests of feasibility applied to similar projects constructed in the United States, we'd have fewer roads to nowhere, dams that impound no useful water, and worthless irrigation projects. These projects could well be the catalyst enabling other nations to help themselves, much as they serve that purpose in the United States. But they certainly should be subjected to the same criteria that projects constructed within our own borders must meet.

At least two congressional committees, the Foreign Affairs Committee and the Joint Economic Committee, are presently conducting hearings on the best use of our enormous holdings of foreign currencies around the world. We look forward to their reports with interest and hope their studies, will result in better and more economical management of those funds, to the end that those currencies will be expended in place of dollars.

DIRECTION OF PROGRAM

The foreign aid program needs a major re-vamping, and the bulk of the American people are thoroughly in accord with this feeling. Our taxpayers would take a far better view of the program if they could see that the accomplishments were more favorable to the people of the recipient countries. Certainly the focus of our foreign aid program should be upon:

1. Responsive projects using our abundance of food to feed the unfortunate peoples of the world where starvation is all too prevalent, and

2. Initiation of educational programs to help the people of newly emerging nations to better enable them to take their place in a continually more complex civilization.

It occurs to us that much of the foreign aid program has been misdirected. We have given cash grants to dictators, and to neutral and even unfriendly governments, with little of the benefits reaching the people. Em-

phasis has to be placed on keeping this a "people to people" program. By genuinely giving this impression to the people of the world, a foreign aid program could well be the most significant program for world peace and understanding in our entire Government.

Everyone knows no one can buy friends. As the House minority report on the 1965 foreign assistance authorization bill states, "Foreign aid has not halted either the expansion of communism or the drift of many aid recipient nations toward Communist ideologies."

Witnesses testified before the committee on the need for separating the military assistance program from the economic aid program. We agree that the time has come for the program to be reexamined.

We support the minority views contained in the committee report on this bill of last year which are as follows:

"We feel that as legislators (1) we are disinterested judges, looking only at the facts as we see them; (2) we are interested in saving money for the taxpayers of the United States; and (3) we are interested in furthering the purposes of the foreign aid program as set forth in authorizing legislation."

We also feel major changes in its direction and application must be made if we are to realize its potential.

Few Members of Congress question the fact that something is definitely defective in the present structure of a foreign aid program which can consume so much money and yield such minimal results.

The time has come for a major overhauling. This should well be one of the major duties of this 89th Congress.

GARNER E. SHRIVER, MARK ANDREWS,
FRANK T. BOW, CHARLES R. JONAS,
MELVIN R. LAIRD, E. A. CEDERBERG, GLEN-
ARD P. LIPSCOMB, JOHN J. RHODES, WIL-
LIAM E. MINSHALL, ROBERT H. MICHEL,
ODIN LANGEN, BEN REIFEL, GLENN R.
DAVIS, JOSEPH M. MCDADE.

ADDITIONAL VIEWS OF MR. CONTE AND MR. ROBISON

We, the undersigned, are committed to the idea and the spirit of foreign aid as a vital arm of our foreign policy; to it we give our full support as we have done consistently during the years it has been our privilege to serve in the Congress. One of the undersigned, Mr. CONTE, has served 7 years on this important committee.

We are charged by the American people with the responsibility of carefully scrutinizing and evaluating the proposed program and expenditures of our foreign assistance efforts. The discharge of that responsibility is an awesome and commanding task, one to which we have all devoted many hours. A recent study of our foreign aid program expressed it in this way:

"The efforts of advanced countries to help less developed nations toward economic growth and political maturity will go on. From time to time, there will be doubts and misgivings about the wisdom or the effectiveness of the effort. Nevertheless, most Americans understand very well that the effort should continue and our political and economic interests are best served by building up the productive capabilities and democratic institutions of the less developed countries. What Americans do demand, and what they are entitled to have, is the assurance that their resources and support are applied with intelligence, skill, and dedication. ('Foreign Aid Through Private Initiative,' Report of the Advisory Committee on Private Enterprise in Foreign Aid, Agency for International Development, Washington, D.C., July 1965.)"

Any judgments which are to be made concerning foreign assistance should be made with the history and experience of our programs firmly in mind. It is no fairer to expect the countries receiving our aid to ad-

vance to the level, that it has taken this country nearly two centuries to achieve, in less than 20 years, than it is to say that our aid administrators have failed in their assignments because the job is not yet completed and our assistance efforts must go on.

However, support for foreign assistance legislation must be neither blind nor indifferent. We do not contend that we have reached the apogee or the perigee of possible implementing programs for foreign assistance. In these additional views, we do not intend to malign the program or its participants in a spirit of negativism. We seek only to present our constructive criticisms of the program and to set forth our proposals and endorsements for what we consider would be the improvement of our assistance efforts.

NEED FOR A RADICAL REVISION OF THE PROGRAM

We feel that it is time to make a comprehensive reevaluation of our program of assistance, revamping it to meet the needs of the developing countries in a manner that does not merely duplicate of the past.

There is something new in the foreign aid program this year—the increasing introduction of planned selectivity. Today, we are proposing aid to 72 countries, with 95 percent of our assistance going to 31 of these countries.

However, what we need today is not something new in the program so much as a new program. The total impact of our aid program remains diluted and weakened by the fact that we have still spread ourselves too thin. We should no longer attempt to do a little bit for everybody within a constrained budget, even on the reduced scale of 72 countries.

The 80th, a Republican Congress, acting in the wake of the destruction and devastation of World War II under the able leadership of then Congressman Christian Herter and Senator Arthur Vandenberg, established high standards for all future assistance programs in the Marshall plan and the Truman doctrine. The success and the indomitable spirit of these men were reflected in the programs which they had advocated and the new hope for the world which they provided. In many respects, the challenge with which we are faced today in our assistance efforts is as great as faced the 80th Congress. We must pick out of the sea of generalizations, a program of specialization. It will require basic and fundamental changes in our approach to assistance, in the scope and character of that program. What we must maintain is the drive and spirit of the efforts of those who have preceded us.

We have witnessed exciting successes in our assistance efforts of the past, as we have also experienced disappointing failures. In retrospect, we believe that the tally sheet is more than balanced in favor of the efforts that have been made. We have seen the substantial eradication of malaria in vast areas of the world where it had afflicted generation after generation; we have witnessed the worthwhile work done by the Peace Corps; we have brought educational institutions of all levels to people who would otherwise have been unable to train as technicians and develop professional skills enabling their countries to go forward with their own self-help programs. The list could go on and on. However, the mere duplication and proliferation of what has proved successful in the past does not insure continued success in the future.

At this time, we do not recommend a substantial reduction in the efforts we are making nor a shrinking away from the task which is before us. We do recommend increased emphasis upon and the further implementation of the program of carefully planned selectivity. By concentrated and intensive efforts in a small number of countries with development potential and promise, coupled with the will of the people of

the country to be partners in the assistance efforts, rather than a part of a giver-getter relationship, we can bring the country up to the level of achievement and continuing progress that it can join with us in aiding others. If a sound and diversified economic base can be established in underdeveloped countries, they, in good time, will have the means to offer their help to their lesser developed neighbors.

We will be able, then, to build an assistance program from a limited base that will ultimately reach all the developing nations of the world. The program will, at the same time, place even less of a burden upon this country and will rely more on regional identification of interest and the concern of neighboring nations, one for the other. Other developed nations of the free world are joining with us now in the fight against hunger, disease, and despair. During 1963 commitments by other free world nations for economic development increased, while U.S. commitments declined to less than half the free world total. The nations we helped after World War II are now helping others.

We have the basis for such selectivity in this year's program. In the development loan program, 74 percent of all the loans will go to only 7 countries. These countries are all engaged in strong, self-help development programs. Their potential role in future development efforts should not be lost in the miasma of too many programs and too many projects, in too many countries.

The new program of selectivity which we propose is one of two degrees. First, we must be selective in the number of countries in which we have an aid involvement. Second, we must be selective in the choice of the countries in order to assure that those countries in the program have the desire and ability to make the best use of our aid. We can spare no funds, especially in a program of a limited number of countries, for the support of marginal activities or for costs that aid-receiving nations are able to carry themselves. The helping hand that we offer must be grasped by the people of the country to whom it is extended.

NEED FOR INCREASED EMPHASIS ON ASSISTANCE TO LATIN AMERICA

In a new or reinforced program of selectivity in our assistance efforts, we recommend that one area of emphasis be Latin America. The potential and the need for development there have been long overlooked and short-changed. There are pressing needs for agrarian and tax reform in Latin America. We are just beginning to see the results of the progress that has been made possible under the Alliance for Progress. Latin America is truly on the march and we must insure that momentum is maintained. We can do so by more selective and intensified economic assistance efforts.

NEED FOR A NEW APPROACH TO MILITARY ASSISTANCE FOR LATIN AMERICA

We do not support the continued high level of military assistance to Latin America. The appropriation request for this funding category has systematically increased with each passing year despite a material limitation of \$55 million. We are not convinced that, in every instance, these funds are applied only toward the intended goal—the maintenance of the internal security of the individual Latin American countries. These funds could well be an enabling factor in any Latin American country's buildup of military capabilities for external aggression and in many of the coups that have taken place in Latin America.

We recommend that early and serious consideration be given to a regional military defense organization for Latin America similar to NATO. The value of such a regional organization would be manifold. It would enable us to eliminate or curtail the grants of military assistance to individual Latin

American countries. It would provide an identification of interest and purpose, common to all of the Latin American countries, for the defense of Latin America.

It is essential that these nations realize that the Communist threat affects all Latin American nations, not just a few. While these countries are, of course, independent entities, the successful resistance of any one country to this threat may well be dependent upon the combined efforts of all singularly and forcefully brought to bear on the common foe.

NEED FOR BETTER UTILIZATION OF EXCESS FOREIGN CURRENCIES

We must stop merely planning how to use the growing amounts of United States-owned foreign currencies in the sight excess currency countries, and start using them. We have more than one and a half billion dollars worth of these currencies. Within the past month, we have seen the value of the excess currencies which we hold in Yugoslavia decrease by the devaluation of the dinar.

It is not, however, only harmful to the interests of the United States to maintain these holdings of excess currencies. The countries where these currencies are held criticize this country for these excess accumulations and express concern that they might be put to a use seriously affecting the internal financial and economic interests of the particular country.

Proposals for the use of these funds have been rejected for lack of definiteness by the Congress and the agencies that could put these funds to use seem reluctant to request them as part of their dollar appropriations. However, it is in the interest of both this country and the host countries that these idle currencies be put to work.

India is one of the eight excess currency countries. As of June 30, 1964, the United States had accumulated nearly \$980 million worth of Indian rupees from Public Law 480 sales proceeds, from payments of principal and interest on past development loans to India, and from interest on U.S.-owned rupee bank deposits in India. Of this amount, \$392 million is earmarked for exclusive U.S. use and \$588 million is reserved for India's use in the form of development loans and grants. The amount of U.S.-use currency is expected to increase to about \$611 million by the end of fiscal year 1966.

The amount being presently spent for U.S. uses in India is about \$25 million annually. It has been estimated that at current rates of expenditure, U.S.-owned rupees in India represent roughly a 28-year supply of estimated requirements for our general purposes in that country.

The excess currency in India, as in other excess currency countries, is not readily available for the purchase of goods and services, nor is it freely convertible into other currencies. Under these circumstances, it would be desirable for the United States to find ways to put to use some of its rupee holdings. We can do so in such a way as to help the Indian economy and the educational structure. However, there has been no development of constructive programs to use sufficiently these funds to strengthen the assistance efforts of this country or to implement our foreign policy.

We single out India because it is the country in which we hold the largest amount of U.S.-owned foreign currencies. At the same time, it is the country where the greatest effort has been made by American officials, under Ambassador Chester Bowles, to try to put this idle currency to work for us. These efforts have been of no avail and signal the need for the action of the committee and Congress. Mr. CONTE, together with Ambassador Bowles, has proposed the use of the U.S.-owned rupees to strengthen our administrative operations in India, to establish a binational educational foundation, and to

strengthen our programs and activities within that country.

The programs of the Foundation could include:

1. Establishing scholarships for outstanding Indian students.

2. Strengthening selected institutions of technology, agriculture, teacher training, and multipurpose high schools to make scholarship programs more effective.

3. Grants for improvement of textbooks and other teaching material at primary and secondary levels.

4. Additional support to existing American institutions in India such as those at Hyderabad and Poona.

5. Promotion of Indian literature, art, music and dance in the form of grants to the three national academies located in New Delhi.

6. Development of public libraries and student reading centers which 100 Indian cities urgently need.

We could achieve similar purposes in all of these countries with these idle funds, to the mutual benefit of the excess currency countries and the American image around the world.

NEED FOR PRIVATE ENTERPRISE IN THE FOREIGN AID PROGRAM

We endorse "The Report of the Advisory Committee on Private Enterprise in Foreign Aid."

The gap between the resources that have in the past gone into the developing countries and the resources that the people of these countries need, as well as the fact that there does not seem to be enough money to accomplish the task that this country has undertaken, should not prompt our resignation to a futility of our assistance efforts nor invite us to abandon them. It is rather, a call to meet the challenge before us through the enlistment of the private resources in which this Nation so plentifully abounds.

We are a Nation built upon individual initiative and private enterprise. We have, then, no better spokesmen for the freedom of choice and the economic advantages of the opportunities afforded by a democratic society than the very people who have, as a part of such a society, grown and developed to the point where they can now offer their assistance to those eager to set out on the long road for themselves.

We have seen the application of private initiative on a small scale reap large scale benefits for the participants from both this and the developing country with the small businessmen's project in Tunisia which was financed, in part, by AID. If we are going to emphasize a people-to-people program in our aid efforts, we should encourage it on that level.

We recommend concerted efforts to enlist the help of private enterprise and private initiative, remembering that money alone will not do the job that must be done. Our universities, business enterprises, labor unions, and professional societies are a vast and virtually untapped reservoir of capital, skills, and human resources that must be motivated and applied to assist the world's developing countries. While the eventual success or failure of our foreign assistance programs may not be determined by the contributions made by American private initiative, we are convinced that the earliest possible successful accomplishment of the goal depends upon their participation.

NEED FOR A NEW PERSONNEL PROGRAM

There has been very little congressional action taken regarding the special personnel problems encountered by AID. The administrators are responsible for the operation of an international business, but find themselves forced to apply differing standards to a single position or person. The personnel policy is administered in part under the Foreign Service Act and in part under the

civil service system. This involves a change in status for every employee who is sent from Washington, where he is a civil servant, to one of the overseas posts, where he assumes Foreign Service Reserve status. A similar change operates in reverse for the employee returning to this country from an overseas assignment.

As a result, it is a difficult procedure merely to make the changes essential to upgrade the personnel of the Agency. David Bell, the extremely capable and dedicated administrator for AID, declares the lack of personnel authority specifically designed for the Agency is the No. 1 problem with which he is faced. In his testimony before the subcommittee, he indicated that the continuation of the stopgap system has accounted for the accumulation of a number of people, under the protective umbrella of civil service, who are not qualified to meet the rigorous requirements of the program as it is carried to the developing nations of the world today.

We recommend enactment by the Congress of a personnel statute drawn specifically to meet the unique requirements of the Agency for International Development in its employee relations and policy.

CONCLUSIONS

Remarks made by one of the undersigned, Mr. CONTE, during the debate on this legislation 1 year ago on the floor of the House, express the purpose and intent of these, our views, and are as timely today as when they were presented. We cite them in conclusion of these views:

"Every Member of this House wants to see improvements made in the foreign aid program. There is not a Member who does not have his own ideas about how this could be accomplished. Some of the criticisms and suggestions of Congress have been put into effect and have helped to improve the program. It is important for Congress to continue to suggest changes and improvements. If anything, there is need for even greater congressional examination of the strengths as well as the weaknesses of foreign aid. But there are any number of ways in which Congress can influence the course of foreign aid without casting doubt on the concept, undermining the confidence in the program, and creating a negative political climate which favors restrictions and reductions rather than healthy, constructive criticism and support."

SILVIO O. CONTE.
 HOWARD W. ROBISON.

Mr. MORSE. Mr. President, let me say to my friend the Senator from Rhode Island that in my desire to hasten consideration aid disposal of the pending bill as quickly as possible, I forgot, before Senators left the Chamber to ask for a yea-and-nay vote.

As the Senator knows, I have a gentleman's understanding with the majority leader that he will endeavor to assist me in obtaining a yea-and-nay vote. Therefore, because I cooperated yesterday in agreeing to the unanimous consent agreement which would limit debate today, I hope that before the Senator from Rhode Island finishes whatever comments he is going to make, he will extend me the courtesy of a quorum call just long enough to get sufficient Senators into the Chamber to ask for the yea-and-nay vote.

Mr. PASTORE. That is absolutely satisfactory to the Senator from Rhode Island. The Senator from Arkansas [Mr. McCLELLAN] has a speech of 20 or 25 minutes.

I yield 20 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I shall vote against the pending foreign aid appropriation bill. It represents an extravagant waste of American tax dollars in furtherance of misguided or confused policies. The American people are increasingly opposed to this vast program of waste, and I have been opposed to it since shortly after the end of the Marshall plan era.

I think most would agree that the aid and assistance furnished under the Marshall plan to countries devastated by war was a graphic demonstration of America's humanitarian concern for the welfare of the peoples of the world, and certainly was in the best tradition of our concept of democracy in action. I supported it. But that program had guidelines, definite goals, and cooperation by the recipients. It served a worthy purpose and was successful.

Today, more than \$100 billion later, we find an aimless foreign aid program floating about in a sea of bewilderment that is at odds with reality. The most tangible, realistic thing about the program is its excessive cost, while its intangible results have been increased involvement with more and more countries, growing resentment by the recipients of our aid, and deepening concern over the direction in which this drifting program is taking the United States.

Since fiscal year 1946, the United States has been engaged in an outpouring of American tax dollars at alarming proportions under the guise of foreign aid. Some 110 countries and territories of the world have been served by it. Today, anyone would be hard pressed to demonstrate any concrete, constructive results achieved during the past few years as a consequence of this folly.

In the post-World War II period, the public debt of this Nation has risen by almost \$50 billion. This means that we have been borrowing money to finance this foreign aid program.

The Russians have said that they will bury us. The only way we will be buried is to bury ourselves by the simple expedient of continuing deficit spending that will be followed by inflation and economic chaos.

The best hope for the free world in the long run is a strong America—strong both militarily and economically. All too often we rely only on our military might and tend to forget the vital importance of maintaining a strong economy and sound fiscal policies. In fact, it has become fashionable and sophisticated to think only in terms of deficit spending and larger indebtedness.

Many feel—and our Government is now proceeding on the theory—that in relation to the rise in the gross national product, an increase in the national debt of \$4 or \$5 billion annually is of no consequence; that this excessive spending is a healthy stimulant; that large annual deficits create no inflationary pressures.

Mr. President, with that premise, I do not agree. Heavy habitual deficit spend-

ing cannot possibly continue indefinitely without detrimental effects. This, coupled with the critical balance-of-payments deficit and related factors, could cause serious trouble, and I believe will do so, if not remedied.

The deficit for the fiscal year 1965 was \$3.474 billion, and our debt limit now stands at \$329 billion. I suggest that one means of reducing the deficit of \$3.474 billion would have been to eliminate the foreign aid program—or at least a portion of it.

The pending bill seeks appropriations of \$3.907 billion for foreign assistance, but the agriculture appropriations request includes \$1.658 billion for the food-for-peace program, so we are dealing with total foreign aid expenditures of more than \$5.5 billion.

According to Congressman OTTO PASSMAN, chairman of the House Foreign Operations Subcommittee of the Appropriations Committee, there are now some 22 Federal agencies dispensing some type of aid in 99 foreign nations and 9 territories. Moreover, he indicates that there were unliquidated foreign aid funds, old and new, available for expenditure in fiscal year 1965 amounting to more than \$11 billion. These are funds previously appropriated and which are not yet expended. The administration disputes this figure and suggests that only some \$6.3 billion was in the pipeline as of June 30, 1965. But even using this figure and adding to it the pending requests for an additional \$5.5 billion, we find that almost \$12 billion will be available for foreign aid expenditure in the current fiscal year. This is a very imposing reservoir of funds and we have no moral right to waste it—to spend it uselessly. Surely this huge amount could be reduced by half, and our interests would still be fully protected and our obligations could be fully met.

Mr. President, I was disappointed that efforts to end the present foreign aid program did not prevail earlier this year when we considered the authorization bill. The American people have been saddled with this burdensome program long enough, and it is regrettable that Congress failed to grasp the opportunity offered at that time to impose a deadline on this program and call for a re-examination of objectives that our national self-interest dictates we should pursue in this field.

We have given repeated expressions of this Nation's humanitarian concern for the welfare of the peoples of the world, but in so doing, I wonder if we have not lost sight of the reason why we took the initiative in offering foreign aid following World War II. Was it not then our purpose to rebuild countries torn asunder by war—was it not to resurrect suffering economies—and was not this latter goal tied explicitly to our own self-interest in promoting world markets? But how is the interest of America served under today's program? Surely America's welfare and future destiny are not dependent upon our perpetuating this useless and fruitless policy of indiscriminate foreign aid spending.

If this Nation has something to contribute to mankind—as I am convinced that it does—then it must surely be something a bit grander than mere benevolence. The greatest gift that this country can ever hope to offer other nations of the world is the simple notion of self-government—the simple notion of individual freedom—and the simple principles of the free enterprise system. And, Mr. President, these are precious commodities that gold alone cannot buy. Nor are they exportable in instant form. For these simple notions to take root and flourish they must fall on receptive soils. Therein, I think, lies the fault with much of our previous efforts with foreign aid. We have sought to sow before the grounds were prepared—and in many instances before the fields were even cleared. We tend to forget, or overlook, that what this great country achieved in just a few short years has not been equaled by other countries boasting civilizations extending back centuries before America was discovered. The significant technological advances made in our space program are ample evidence of the fact that we are able on occasion to "leapfrog," as it were, in attaining even more advanced and sophisticated levels. But I think we err when we think we can apply this leapfrogging technique to the developing nations of the world by simply giving them money.

And how will the future historians assay the role our foreign aid program played in the bitter struggle between India and Pakistan? Two neighboring nations have been locked in combat, using American-supplied weapons and money furnished under the guise of foreign aid, testify to the crying need for a reappraisal of this program. At the moment a cease-fire agreement is in effect, but at most it is fragile and insecure.

Billions of dollars and untold weapons of war have been poured into both countries. Almost \$8 billion in economic aid alone has been dumped into these countries since World War II; \$5.2 billion for India and \$2.6 billion for Pakistan. And to what end? Certainly not so that they could afford to fight like spoiled children. A nation with the resources of America should exercise the greatest possible caution and prudence in any program to share its bounty with the less fortunate countries of the world.

The combatants in that struggle cannot afford the burdensome toll that war exacts. And one wonders if that conflagration would have flared and spread without the aid furnished by us. But this much we can foresee, that regardless of the outcome, more raids will be made on America's treasury.

Americans seem increasingly to be geared to a credit-card way of life, but I seriously doubt America's capacity—great as it is—can long honor credit-cards for all the nations of the world.

Mr. President, we have all read of the waste and inefficiency associated with the foreign aid program so much over the years that we tend to accept it—waste—as inevitable. However, this year, no less authority than the General Accounting Office, the auditing agency for the Congress, indicted the program by saying

that there is more waste in the foreign aid agency than in any other civilian agency in the Government. Testifying before the Senate Foreign Relations Committee, the Comptroller General, Mr. Campbell said:

The aid program is in a class by itself with respect to waste.

And in this instance he was not referring to the shipment of TV sets for jungle villages with no electric power, or to shipment of "royal bee" sex rejuvenator for Nationalist China. The Comptroller General was speaking in terms of waste on a much larger scale. For example, the Comptroller pointed out that the Agency for International Development, the bureau handling the foreign aid program, unnecessarily spent almost \$4 million to finance goods produced in one aid-receiving country for shipment to other aid-receiving countries, even though such purchases could have been made with U.S.-owned foreign currencies in those countries rather than with dollars.

Also, some \$7 million in interest was lost in the Republic of China in a 2-year period because someone neglected to get an agreement whereby the Chinese Government should pay interest on the large holdings of U.S.-owned foreign currency in that country.

The Comptroller reported that the Turkish bituminous coal industry continued to suffer from inefficient operations despite U.S. dollar and foreign currency aid of at least \$68 million. In addition, about \$18 million had been provided to three enterprises for the procurement and erection of facilities—grain storage facilities, meat-packing plants, and a coal-drying plant—which were barely used, although they had been completed for 2 or more years.

The assistance furnished had contributed little toward improving operations of the enterprises.

Also, the General Accounting Office reported that about \$54 million in grant-in-aid assistance for development projects in the Philippines had been furnished which substantially exceeded Philippine capabilities to effectively absorb, maintain, and utilize with the limited country funds allocated for this purpose. As a result, the projects, involving highways, dredges, piers and wells, had not achieved the economic development benefits that could have been reasonably expected had adequate levels of support been made available by the Philippine Government.

Added to these wasteful examples are, of course, the oft-repeated incidents of providing countries with equipment far too sophisticated for adaptation and use by the recipient, and the many failures to get firm commitments from recipient countries whereby proper maintenance and use will be made of equipment and/or facilities furnished with American dollars.

Mr. President, I pause to cite two instances in one country. There are others in the same country, and I am sure that if a thorough investigation were made into this program and could be made thoroughly, we would immediately discover similar instances.

In Iran a total of \$609,000 in grant funds have been obligated for the construction of a modern slaughterhouse. The project was originated in 1952, 13 years ago, and still is not completed.

This unsatisfactory rate of execution was the result of several revisions of project plans, delay in plans, engineering services, and procurement of equipment.

I understand that when it is completed it is proposed to send people to England to train them how to operate it. They have not reached that point, although they have had it for 13 years.

There are other instances. I call attention to one other instance.

A total of \$597 million in grant funds was obligated for a sawmill project in Iran. This began in 1952. Construction of the sawmill was finally completed in June of 1962. A half million dollars worth of equipment laid out on the port for many years before it was assembled, all after a series of delays. The start of the full operation was delayed 2 years more while the Government of Iran tried to work out problems of managing and operating a sawmill.

They finally came to this country and induced an American firm to enter into a contract and operate the mill. It did. Americans went over there and organized it, organized the help, and made it operate profitably.

Immediately when this was done, the government went down there with its bayonets, and drove it away, and the sawmill stands there today, operating one-third of the time.

This program is shameful in the way it is administered and the results obtained from it.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may have 5 minutes longer than the time allotted to me.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MORSE. I shall be brief. I thank the Senator from Arkansas for this speech. The Senator from Arkansas and the Senator from Louisiana [Mr. ELLENDER] who will be offering amendments later that I shall support, are two Senators who have stood shoulder to shoulder with me in my efforts of recent years to clean up and reform the foreign aid program.

No Senator has stood on the floor of the Senate in the past several years and denied what the Senator has been pointing out; namely, the devastating findings of the Comptroller of the United States.

Until the Senate is willing to make a finding of fact as to the Comptroller of the United States, the senior Senator from Oregon will never vote for a foreign aid bill.

Mr. McCLELLAN. I thank the Senator.

Mr. President, I remember that my attention first came to waste in the program when I was heading an investigating committee, a subcommittee of the Committee on Government Operations. I do not remember the year. We found that millions of dollars had been

spent creating an irrigation project in Bolivia.

When it was finished there was no water. I do not know what happened to that operation. I presume the project is still there.

These problems are bad enough, but they reflect primarily on the administration of this program. Another area that to me is intolerable reflects primarily on the policy of the foreign aid program. And that intolerable situation is where American property has been attacked, burned, and destroyed in the very countries receiving our aid. In Pakistan just this week a mob of several thousand attacked our Embassy in Karachi and burned a USIS library. And other anti-American demonstrations occurred in Lahore and Dacca.

I was pleased to note that language was added to the authorization bill declaring it to be the sense of the Congress that assistance under this or any other act to any foreign country which permits or fails to take adequate measures to prevent the damage or destruction by mob action of U.S. property within such country should be terminated and should not be resumed until the President determines that appropriate measures have been taken by such country to prevent a recurrence thereof.

But I feel we should go one step further and impose an absolute prohibition on aid in such instances.

We seem to have engendered a widely held view that this country owes an obligation to aid every less developed country in the world and we certainly are not helping to dispel this misconception by tolerating continued abuses of our personnel and property abroad.

Earlier this year a tabulation of such incidents printed in the CONGRESSIONAL RECORD listed 51 occurrences of this nature between July 1962 and December 1964. We are all familiar with these insufferable abuses, Mr. President, and yet we continue to tolerate them.

In his state of the Union message, President Johnson said:

We are prepared to live as good neighbors with all, but we cannot be indifferent to acts designed to injure our interest, or our citizens, or our establishment abroad. The community of nations requires mutual respect. We shall extend it—we shall expect it.

The reaction? American establishments continued to suffer attacks around the world in the days following this statement.

Consider the situation with Nasser of Egypt who says we can take our aid and jump in the lake, and yet we give him more. Or Sukarno of Indonesia who says he does not need our foreign aid and then he confiscates our rubber plantations and libraries. Each of these countries has received U.S. aid amounting to nearly \$1 billion since World War II.

And what of France, a country owing us billions in war debts, while General de Gaulle seeks to embarrass the United States by making repeated calls on our gold reserves.

We provide no direct aid to France now, but it would appear that the unprecedented—nearly \$10 billion—we have extended to France over the years since

1946 has gone for naught so far as General De Gaulle's gratitude is concerned. Perhaps we should require that France repay her World War I debts of \$6.5 billion in gold. Certainly this would be in keeping with De Gaulle's principles, and his peculiar passion for gold.

Burned American libraries and smashed embassy windows stand as stark reminders that the billions of dollars this Nation has contributed are not enough to buy friendship. Indeed, they furnish ample evidence that dollar diplomacy has never and will never prove a successful substitute for establishing and maintaining, on the basis of justice and reciprocal respect, effective international relations.

This country—the wealthiest Nation the world has ever known—is still not so abundantly rich that it can rely solely on the dollar to promote and protect our interests and position abroad.

Moreover, Mr. President, I am deeply concerned over the deleterious impact that the continuing foreign aid program has on our balance-of-payments deficit.

Members are well aware of this situation, and will recall that only a short time ago Congress was asked to enact the gold cover bill in order to afford time for the administration to take steps to reduce the continuing U.S. balance-of-payments deficit. I have long been a critic of policies which contributed greatly to the predicament this deficit has presented, particularly in the area of foreign aid. However, I supported the gold cover legislation on the basis of the President's assurances of taking affirmative action to reduce and eliminate this deficit by taking advantage of the opportunity afforded by that measure.

The result today is not altogether reassuring in that regard, Mr. President. I realize that it is perhaps still too early to expect any significant or sustained reversal of the trend that gave rise to this problem, but it is a serious matter and we should not lose sight of the consequences it may bring. The United States has had 14 balance-of-payments deficits in the past 15 years, totaling \$35 billion and we cannot afford to relax our efforts to arrest and reverse this trend.

And I think it is clear, Mr. President, that foreign aid will continue to adversely affect our balance-of-payments position.

In this connection we might do well to heed the warnings recently issued by Federal Reserve Chairman William McC. Martin on the similarities of the conditions today with those of the 1920 era. At that time, just as now, he said, Britain and the United States were both in balance-of-payments difficulties and France decided to convert its payments' surplus into gold.

We need to bear this in mind as we consider the pending foreign aid bill, Mr. President. And we need improvement in the clarity and meaningfulness of our policies to the end that confusion will be eliminated and misunderstandings will be avoided. We should endeavor to provide a more positive leadership, defining our purpose and objectives in language that will hardly per-

mit misinterpretation and in terms that neither friend nor foe should misunderstand.

Mr. President, if we were to shut off any further assistance this very minute we would still find the foreign aid pipeline clogged with many unspent billions of American dollars. I think that it is time to turn off the spigot and clear the pipeline, and then chart a clear course before we dare set sail again on the expensive expanse of the foreign aid sea.

Let us not pave the road to economic chaos with ill-conceived programs contrived and peddled abroad with the zeal of a missionary. If we are to remain in this foreign aid business—and this now seems as certain as death and taxes—then let us be a bit more hardheaded in our transactions and promote the formula that made America great—a formula of self-help, self-reliance, and self-interest.

Mr. PASTORE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 8 minutes remaining on the amendment.

Mr. PASTORE. I suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, the Senator from Rhode Island is opposed to this amendment.

I suggest the absence of a quorum, the time for the quorum call not to be charged to either side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, the pending amendments would provide for a cut of \$25 million under the military assistance program. While this amount may be considered small with reference to the \$1.17 billion for the entire military assistance program for all the nations of the world to which we are committed, the \$25 million is one-third of the entire military assistance program for Latin America.

This amendment would reduce the military assistance program for one particular region, Latin America, by more than 30 percent. It would be a drastic, dangerous, and tragic cut. I hope that the Senate will reject the amendment.

I yield back the remainder of my time.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the senior Senator from Oregon [Mr. MORSE]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Tennessee [Mr. GORE], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHEL], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. KENNEDY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] would vote "yea."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 41, nays 43, as follows:

[No. 268 Leg.]

YEAS—41

| | | |
|-----------|---------------|----------------|
| Bartlett | Ervin | Nelson |
| Bayh | Fannin | Neuberger |
| Bible | Fong | Fell |
| Boggs | Fulbright | Proxmire |
| Burdick | Gruening | Robertson |
| Byrd, Va. | Hruska | Russell, Ga. |
| Church | Jordan, N.C. | Symington |
| Clark | Jordan, Idaho | Talmadge |
| Cooper | McClellan | Tydings |
| Cotton | McGovern | Williams, N.J. |
| Dirksen | Morre | Williams, Del. |
| Douglas | Morton | Young, N. Dak. |
| Eastland | Mundt | Young, Ohio |
| Ellender | Murphy | |

NAYS—43

| | | |
|--------------|--------------|----------|
| Alken | Hayden | McGee |
| Allott | Hickenlooper | McNamara |
| Beas | Hill | Metcalfe |
| Byrd, W. Va. | Holland | Miller |
| Cannon | Inouye | Monroney |
| Carlson | Jackson | Montoya |
| Case | Javits | Moss |
| Dodd | Kuchel | Muskie |
| Dominick | Long, Mo. | Pastore |
| Harris | Long, La. | Prouty |
| Hart | Magnuson | Randolph |
| Hartke | Mansfield | Ribicoff |

Russell, S.C.
Saltzstein
Smathers

Smith
Stennis
Thurmond

Yarborough

NOT VOTING—16

Anderson
Bennett
Brewster
Curtis
Gore
Kennedy, Mass.

Kennedy, N.Y.
Lausche
McCarthy
McIntyre
Mondale
Pearson

Scott
Simpson
Sparkman
Tower

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HAYDEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 4, line 25, strike out the figure "\$1,170,000,000" and insert in lieu thereof the following: "and provide further that military assistance to India, Pakistan, Greece, and Turkey shall be limited to not to exceed fifty percent of the cost of equipment and training which those countries received from the United States during the last fiscal year. \$1,000,000,000."

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, my proposed amendment does two things.

First, it specifies that military assistance to the named countries of India, Pakistan, Greece, and Turkey shall be reduced by 50 percent from the amounts those countries received in the last fiscal year.

Second, the amendment reduces the military assistance appropriation by roughly the amount that would be saved if those specific programs were each reduced by 50 percent, namely, \$170 million. It leaves still an appropriation of \$1 billion—far too much.

I pick out these countries because they have used military equipment and training supplied by the United States in military action against each other. I picked out these countries as a warning to others who might do the same thing. I picked out these countries as an example to our military leaders of the criticism of this body of the indiscriminate arming of any nation that will accept our military equipment and to try to show how ill advised and irresponsible have been our actions.

Mr. President, we have learned during the last few weeks that U.S. military assistance has been spread too far, too wide, and too thick. It has been spread so widely that there are few border skirmishes in which the participants are not shooting U.S. manufactured military hardware at each other guided by the training we have given them.

Mr. President, I would wager that during recent hostilities between India and Pakistan that American military advisers were not far behind the front on both sides.

What have we come to?

The time will soon come when the munitions makers which the former

Senator Gerald Nye exposed years ago will seem like a group of lily-white, small businessmen.

Today the munitions makers, the munitions distributors, and the military trainers are employees of the U.S. Government.

The amendment I have sent to the desk calls for a specific limitation on military assistance to named countries—countries which have shown that they do not take seriously the admonitions of our military agreements that this equipment is not to be used against nations friendly to the United States.

I predict that without adoption of this amendment, it will be only a matter of days until fresh military supplies from the United States, in full replacement of their losses, will be on the high seas on the way to both India and Pakistan. After all, if we do not send new tanks to the Pakistani, their military men will not have equipment to keep them occupied. If we do not send additional assistance to India, the men in its armed forces may have to use wooden guns. Would not that be awful?

What a tragic situation to which we have come. We will soon be the most hated Nation in the world if we continue to give free reign to our military advisers who can only advise that these new underdeveloped nations receive more and more military assistance.

Let me state parenthetically that one of the great purposes of my amendment would be to start turning the trend of the military economy in this country back to a free economy. For every American today is living, not under a free economy, but under a defense economy. If we stop the subsidy to every American businessman who directly or indirectly is the beneficiary of the terrific defense economy that has been built up, in no small measure as the result of our military aid program, we shall have some small chance of returning to a free economy. We shall also have some chance of changing the trend of our Government from a government in which the military is more rapidly coming into power and the civilian powers are rapidly going out of control.

Mr. President, we are not going to face up to this problem of returning to a free economy unless we are willing to come to grips with the type of amendment that I am advancing.

I noted in the press a few days ago that the Pakistani armed forces had made limited use of napalm in their attacks on the Indian forces. I wonder where they learned of that civilized war-making device. I wonder where they obtained their napalm. I wonder who taught them their techniques.

We talk about being a moral nation, but much of the world knows that we fall far short of practicing our alleged moral principles. Millions of people know the chasm, the abyss, the great difference between the religious professions of Americans and the practices of American foreign policy.

I know that I must expect to be attacked—as I am in certain places—because I hold fast to my upbringing, because I believe that the religious principles I was taught should be lived up to

not only by individuals, but also by governments. For a people, in the long run, will be no more moral than the moral principles they are willing to insist shall constitute the practices of their government. I find it difficult to reconcile a great many facets of the military aid program with religious teachings.

If the United States is not willing to be the nation to begin to hold back on military shipments to these new nations, no one will take the lead. Of that we can be sure.

I predict that if Congress does not take the lead in stopping this nefarious traffic, it will be only a matter of time until we shall find fiery outbreaks all over Africa—the spear having been replaced by the machinegun, manufactured in the United States; the arrow having been replaced by the rocket, manufactured in the United States. And we call ourselves civilized.

I hope that my amendment will be adopted and that we shall have the audacity to begin to put a stop to this.

Mr. President, let me say to the Governments of India and Pakistan, Turkey and Greece, that no one in Congress would be more willing than I to vote for economic aid for them on a project-to-project basis, on a sound business loan basis which would help to prepare the seed beds of economic freedom in their countries, and make it possible for the masses of their people to be economically free, and to have their standards of living raised.

There will be no real political freedom assured for future generations in those countries until we do a better job of preparing the seed beds of economic freedom in the underdeveloped countries of the world, out of which, interestingly enough, political freedom will always take root and grow.

We shall never lead mankind to peace through military aid.

Our military aid has reached outrageous proportions. It is the greatest aid to the Communists, because it stirs up hatred and resentment against the United States around the world, not only in the countries which receive the aid, but also among millions of people who form public opinion in countries that do not need military aid.

I do not believe that my ideals and convictions can be better expressed than to repeat what I have said in meetings of the Foreign Relations Committee, and on the Senate Floor: That if we really wish to be a great flaming torch, lighting the way to freedom and peace, we will export not military aid, but bread, by way of economic freedom to millions of people in the world who are hungry for economic freedom but can only be annihilated by American military aid.

Mr. PASTORE. Mr. President, I shall take only 4 or 5 minutes, and then I will be ready to yield back the remainder of my time and have a vote on the amendment. I do not believe that the United States is an aggressive monster; nor do I believe for one moment that the United States is leading the parade in trafficking in armaments in order to cause aggression in the world, and in order to add to

the strife which already exists in the world. Nor do I believe that we are an uncivilized government because we give military aid to those who are trying to resist the bullying monster of communism trying to stay free.

Mr. President, if the Senate adopts this amendment today, it will have laid the foundation for destroying NATO. NATO is in sorry enough condition already, with the attitude of General de Gaulle. If we stop military aid to Turkey and Greece, whose peoples live directly under Russia and near China, we shall see the whole of the NATO complex dissolve and die.

America will then have to stand alone. We have not been giving military aid to Pakistan and India, as I understand, since last April.

I do not believe that the President of the United States is ready to give any further military aid if it does not serve the security of this country and the peace of the world. But, do not forget, Pakistan is still a member of SEATO and CENTO. To carry out the provisions of the amendment pending today, we would break SEATO and CENTO as well. America would once more stand alone against the new bully, Red China, which has already successfully set off two explosions of a nuclear device.

I realize that there are troubles in the world, but they are not of our making. The Kashmir problem is a thousand years old. We cannot solve it overnight. We are not happy about the conflict between Greece and Turkey over Cyprus. We have intervened as best we could to try to bring the strife to a halt. We are not a party to what is happening in Kashmir. That is a religious problem, a conflict of the ages. Yet we realize that we are caught in the paradox of our time. We are posed between perils.

Today, we are being placed in a position where we have to judge between two evils. The only reason why we sit on the court of judgment, as I said before, is that we wear the mantle of responsibility.

Does any believe that the man in the White House loves America less than does the Senator from Oregon?

Does anyone believe that the Senator from Oregon loves peace more than does President Johnson or did President Kennedy?

Let us face the facts of life, as they are.

There are many problems in the world that will take many long years to solve. Some of them may be insoluble in our lifetime. I am not happy about Kashmir. I am not happy about Cyprus; but, if we adopt the pending amendment, we will tear the free world apart in one stroke.

I do not believe that the Senate is ready to mete out that kind of judgment today.

Therefore, the pending amendment is a crucial one, and involves a great deal of drama and evokes much emotion.

There is the repeated question. Why should we help other nations which are fighting one another? The answer is

obvious. But look at the panorama of the world. Look at what has brought us to this point. Consider where we stand. Look at what we have to maintain and protect. We try to close the door to encroachment by the Soviets and by Red China. Do not give the key to the door to the Kremlin today. Do not give the key to the door to Peiping today. Khrushchev said at one time, "NATO is the bone in my throat." And today the Senate will remove that bone from the throat of the Kremlin if it votes the amendment. I hope the amendment will be defeated.

I yield back the remainder of my time.

Mr. JAVITS. Mr. President, before the Senator does that, will he yield me 3 minutes?

Mr. PASTORE. I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I am chairman of a special committee of the NATO Parliamentarians' Conference which was created to encourage closer economic cooperation between Greece and Turkey. Notwithstanding the tensions and strains between those two countries and what is going on at this time, I believe we shall realize useful results from that project. In spite of the present Greek Government crisis, I believe that that trouble will be settled. There is also hope of settling the Cyprus problem.

In connection with this project of the NATO Parliamentarians' Conference, I have had an opportunity to travel to Greece and Turkey and to meet the leaders of the parties of both the Government and the opposition.

I shall vote against the amendment of the Senator from Oregon, notwithstanding that I have the greatest respect and affection for him, and with whom I am often aligned, because I believe it would be exactly the wrong way to deal with the sensibilities of these countries and the determination by both the party of the Government and the opposition party to stay, by and large, within the context of the free world, indeed, of the Western World.

It would be an unnecessary affront to these countries for the United States to spank them as though they were little boys quarreling with each other. Adoption of an amendment like this would say that we regard their nations not as adults, but as adolescents. We must regard them as adults. Therefore, in the exercise of the subtleties and delicacies of foreign policy, that decision should be left with the President. I would say that whether the President were a member of my party or that of the opposition party, as he is at this time.

Just as students rioted in Karachi against the USIS building because they instinctively felt that the United States was an influence in the balance of the U.N., I think we should instinctively feel that the U.N. has had a great victory. Let us not jeopardize it, the day after it has had such a victory, this country being the United Nations' greatest supporter, by spanking some of its participants. Perhaps they should be

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spanked, but it would be unwise for us to do it.

Therefore, I hope, in the interest of the United States, that the amendment will be defeated.

I would not have stood and made this statement, were it not for the fact that I had this familiarity with the Greek and Turkish situation.

Mr. MORSE. Mr. President, I had not intended to make a further statement, but after hearing the Senator from Rhode Island and the Senator from New York, I would not want some student in the years ahead wondering why the Senator from Oregon had remained silent after hearing what I consider to be a chain of non sequiturs raised by the Senators from Rhode Island and New York. So I will make a rebuttal statement.

My friend, the Senator from Rhode Island, talked about SEATO and CENTO, to the effect that we would be undercutting our allies under those two pacts. What allies? How does one judge an ally? He judges an ally by whether or not an ally stands with him. Where have Pakistan and India been in regard to the crisis in southeast Asia? Outside, looking in.

The Prime Minister of Pakistan, standing in Washington, D.C., before the Washington Press Club some months ago, when asked whether they were going to be of assistance to us in Vietnam, at first made the categorical answer "No." Then he proceeded to say:

It is a U.S. problem, not a Pakistani problem. Our problem is with India.

The sad fact is that the SEATO Treaty has been naught but a worthless paper to the United States from the very time it was signed. What most people do not know is not contained in the SEATO Treaty, but controlling the administration of the SEATO Treaty is a protocol side agreement entered into whereby the parties agreed that, unless they were unanimous in a program calling for administration under SEATO, no country was obligated.

I have said in the Foreign Relations Committee and on the floor of the Senate many times that, in my opinion, the SEATO Treaty was an exercise in deception, and it has deceived the American people as to what it really can accomplish.

India is not a treaty ally at all, so nothing said by the Senator from Rhode Island about treaty allies applies to India.

CENTO likewise has been worthless to the United States.

But let me move to Greece and Turkey for a moment. I point out that neither the economy of Greece nor of Turkey could maintain the military establishments in those countries.

I happen to believe that we cannot justify a military program in a country if the economy of that country cannot maintain the military forces there.

The weapons we have supplied Greece and Turkey, the weapons we have supplied India and Pakistan, would be of no assistance to us whatsoever in case of a war with Russia or Red China.

What would be of assistance would be to keep the economies of India and Pakistan viable so that in a time of war with Russia, if that came, we would not have to be pouring into Pakistan and India the additional millions of dollars necessary for their economic assistance while we were in an all-out war with Russia.

In the event of a war with Russia neither Greece nor Turkey in the Mediterranean, nor Pakistan or India in Asia, would be of assistance to us in such a war, for it will be a nuclear war. It would be over in a relatively short time. Unfortunately, there will be no winner.

I am very much interested in the discussion of the Senator from New York about the economies of Greece and Turkey. They are very weak economies because so much of their economies are going into oligarchies. With respect to Turkey in particular, the Senator from New York, and I have stood shoulder to shoulder in trying to get the economic part of our program channeled into administration by the private segment of the economy. Much economic aid money going into Turkey is controlled, directed, and operated under a form of state socialism, and an incredibly corrupt and inefficient state socialism. Communist-style socialism could not be much more inefficient than the state socialism of Turkey, but we keep it going with our foreign aid subsidies.

As a liberal, I do not intend to support state socialistic enterprises in the economy. In Greece, instead of seeing conditions improve, we see a declining economy. Not only that, but we see now a Greece far removed from the Greece we helped after the adoption of the Truman doctrine.

The record is clear that the senior Senator from Oregon, sitting on the other side of the aisle at that time, spoke on the floor of the Senate for 2 days, and was the first Senator who supported President Truman in the Truman doctrine. It was needed.

The Truman doctrine, in my judgment, helped to give Greece the opportunity to become a free society, and was of great assistance to Greece in establishing the independence she had for a time prior to the present political debacle that now wracks that country.

The huge military aid program made possible the conflict over Cyprus, which in the process of undermining and destroying much of what had been accomplished with our economic aid.

Lastly, I wish to make a brief comment with regard to NATO, referred to by the Senator from Rhode Island. NATO cannot be preserved, and my amendment does not have the slightest connection with NATO. NATO will get a complete revision. The military aspects of NATO are almost passé. We need NATO and the military alliances in connection with it, but we need a NATO that is basically an economic alliance, for the need of NATO countries has become a need for economic alliance and not military alliance. Neither the House of Representatives nor the Senate can

save NATO from being drastically revised.

I am interested in the ad hominem references to the stands of the President of the United States and the senior Senator from Oregon. I say to my friend the Senator from Rhode Island [Mr. PASTORE] that the senior Senator from Oregon has never intimated nor suggested that he is more for peace than is the President of the United States. I am satisfied that the President of the United States is a man of peace. But I believe that in connection with military aid, and in connection with what I consider to be his unconstitutional, undeclared war in Vietnam, he is mistaken in judgment.

Have we really reached the point in the Senate where an argument is made that if the President wants something, we automatically vote for it, as a rubber-stamp?

I believe the President is dead wrong in regard to his position on military aid and much of foreign aid. I believe he is dead wrong in his position in regard to his undeclared war in southeast Asia.

I am perfectly willing to let the people of the country answer the question whenever they decide it is necessary to make clear what foreign policy shall be.

But my answer to those constantly seeking to give the impression that because one does not agree with the President, he must be wrong, is that foreign policy does not belong to him; it belongs to the people of this Country.

And Presidents have been wrong, they will be wrong occasionally in the future. That is why we have a Congress which is supposed to make a judgment of its own in these matters.

As a Senator representing the people of my State, I intend to continue the exercise of independent judgment on the basis of facts. However, when those facts do not support, the President, I do not intend to vote with him on an issue.

In my judgment, the facts relating to my amendment, do not support the President. Therefore, I urge adoption of my amendment.

Mr. PASTORE. I yield back my time.
Mr. MORSE. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Tennessee [Mr. GORE], and the Senator from New Hampshire [Mr. McINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. McCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

On this vote the Senator from Maryland [Mr. BREWSTER] is paired with the Senator from New York [Mr. KENNEDY]. If present and voting, the Senator from Maryland would vote "yea," and the

Senator from New York would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] would vote "yea."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 32, nays 54, as follows:

[No. 269 Leg.]

YEAS—32

| | | |
|--------------|----------------|----------------|
| Bartlett | Ellender | Morton |
| Bible | Fong | Mundt |
| Burdick | Fulbright | Pell |
| Byrd, Va. | Gruening | Randolph |
| Byrd, W. Va. | Hruska | Robertson |
| Church | Jordan, Idaho | Symington |
| Clark | Kennedy, Mass. | Talmadge |
| Cooper | McClellan | Williams, Del. |
| Cotton | McGovern | Williams, N.J. |
| Douglas | Montoya | Young, Ohio |
| Eastland | Morse | |

NAYS—54

| | | |
|--------------|--------------|----------------|
| Aiken | Hill | Murphy |
| Allott | Holland | Muskie |
| Bass | Inouye | Nelson |
| Bayh | Jackson | Neuberger |
| Boggs | Javits | Pastore |
| Cannon | Jordan, N.C. | Proxmire |
| Carlson | Kuchel | Ribicoff |
| Case | Lausche | Russell, Ga. |
| Dirksen | Long, Mo. | Russell, S.C. |
| Dodd | Long, La. | Saltonstall |
| Dominick | Magnuson | Smathers |
| Ervin | Mansfield | Smith |
| Fannin | McGee | Stennis |
| Harris | McNamara | Thurmond |
| Hart | Metcalf | Tydings |
| Hartke | Miller | Yarborough |
| Hayden | Monroney | Young, N. Dak. |
| Hickenlooper | Moss | |

NOT VOTING—14

| | | |
|----------|---------------|----------|
| Anderson | Kennedy, N.Y. | Scott |
| Bennett | McCarthy | Simpson |
| Brewster | McIntyre | Sparkman |
| Curtis | Mondale | Tower |
| Gore | Pearson | |

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 2300) authorizing the construction, repair, and preserva-

tion of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 5842. An act to amend the Lead-Zinc Small Producers Stabilization Act of October 3, 1961; and

H.R. 9221. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1966, and for other purposes.

RIVER AND HARBOR ACT OF 1965

Mr. McNAMARA. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2300.

The PRESIDING OFFICER (Mr. McGOVERN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2300) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was, to strike out all after the enacting clause and insert:

TITLE I—NORTHEASTERN UNITED STATES WATER SUPPLY

SEC. 101. (a) Congress hereby recognizes that assuring adequate supplies of water for the great metropolitan centers of the United States has become a problem of such magnitude that the welfare and prosperity of this country require the Federal Government to assist in the solution of water supply problems. Therefore, the Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with Federal, State, and local agencies in preparing plans in accordance with the Water Resources Planning Act (Public Law 89-80) to meet the long-range water needs of the northeastern United States. This plan may provide for the construction, operation, and maintenance by the United States of (1) a system of major reservoirs to be located within those river basins of the Northeastern United States which drain into the Chesapeake Bay, those that drain into the Atlantic Ocean north of the Chesapeake Bay, those that drain into Lake Ontario, and those that drain into the Saint Lawrence River, (2) major conveyance facilities by which water may be exchanged between these river basins to the extent found desirable in the national interest, and (3) major purification facilities. Such plans shall provide for appropriate financial participation by the States, political subdivisions thereof, and other local interests.

(b) The Secretary of the Army, acting through the Chief of Engineers, shall construct, operate, and maintain those reservoirs, conveyance facilities, and purification facilities, which are recommended in the plan prepared in accordance with subsection (a) of this section, and which are specifically authorized by law enacted after the date of enactment of this Act.

(c) Each reservoir included in the plan authorized by this section shall be considered as a component of a comprehensive plan for the optimum development of the river basin in which it is situated, as well as a component of the plan established in accordance with this section.

TITLE II—FLOOD CONTROL

SEC. 201. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to construct, operate, and maintain any water resource development project, including single and multiple purpose projects involving, but not limited to, navigation, flood control, and shore protection, if the estimated Federal first cost of constructing such projects is less than \$10,000,000. No appropriation shall be made to construct, operate, or maintain any such project if such project has not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration of such approval the Secretary shall transmit to Congress a report of such proposed project, including all relevant data and all costs.

(b) Any water resource development project authorized to be constructed by this section shall be subject to the same requirements of local cooperation as it would be if the estimated Federal first cost of such project were \$10,000,000 or more.

SEC. 202. Section 3 of the Act approved June 22, 1936 (Public Law Numbered 788, Seventy-fourth Congress), as amended by section 2 of the Act approved June 28, 1938 (Public Law Numbered 761, Seventy-fifth Congress), shall apply to all works authorized in this title except that for any channel improvement or channel rectification project, provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall apply thereto, and except as otherwise provided by law, the authorization for any flood control project authorized by this Act requiring local cooperation shall expire five years from the date on which local interests are notified in writing by the Department of the Army of the requirements of local cooperation, unless said interests shall within said time furnish assurances satisfactory to the Secretary of the Army that the required cooperation will be furnished.

SEC. 203. The provisions of section 1 of the Act of December 22, 1944 (Public Law Numbered 534, Seventy-eighth Congress, second session), shall govern with respect to projects authorized in this Act, and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto shall apply as if herein set forth in full.

SEC. 204. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plans in the respective reports hereinafter designated and subject to the conditions set forth therein. The necessary plans, specifications, and preliminary work may be prosecuted on any project authorized in this title with funds from appropriations hereafter made for flood control so as to be ready for rapid inauguration of a construction program. The projects authorized in this title shall be initiated as expeditiously and prosecuted as vigorously as may be consistent with budgetary requirements. Penstocks and other similar facilities adapted to possible future use in the development of hydroelectric power shall be installed in any dam authorized in this Act for construction by the Department of the Army when approved by the Secretary of the Army on the recommendation of the Chief of Engineers and the Federal Power Commission.

Saint John River Basin

The Secretary of the Army is hereby authorized and directed to make a survey for flood control and allied purposes of the Saint John River, Maine, separate and apart from

the Passamaquoddy Tidal Power Project, which survey shall include a detailed study of alternative methods of providing power, including thermal power development using nuclear energy, and to submit a report thereon to the Congress not later than March 30, 1966.

Housatonic River Basin

The projects for flood protection on the Housatonic, Naugatuck, and Still Rivers at Derby and Danbury, Connecticut, are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 324, Eighty-eighth Congress, at an estimated cost of \$5,100,000.

New England-Atlantic coastal area

The project for hurricane-flood control protection at Westerly, Rhode Island, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 85, Eighty-ninth Congress, at an estimated cost of \$3,287,000.

Long Island Sound area

The project for hurricane-flood protection at Stratford, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 292, Eighty-eighth Congress, at an estimated cost of \$4,340,000.

Hudson River Basin

The project for flood protection at Yonkers, Saw Mill River, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 258, Eighty-ninth Congress, at an estimated cost of \$1,924,000.

New York-Atlantic coastal area

The project for hurricane-flood protection and beach erosion control at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 215, Eighty-ninth Congress, at an estimated cost of \$32,620,000.

The project for hurricane-flood protection and beach erosion control at Staten Island, Fort Wadsworth to Arthur Kill, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 181, Eighty-ninth Congress, at an estimated cost of \$6,230,000.

Elizabeth River Basin, New Jersey

The project for hurricane-flood protection on the Elizabeth River, New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 249, Eighty-ninth Congress, at an estimated cost of \$9,769,000.

Rahway River Basin, New Jersey

The project for flood protection on the Rahway River, New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 67, Eighty-ninth Congress, at an estimated cost of \$1,514,000.

Neuse River Basin

The project for the Falls Dam and Reservoir, Neuse River, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 175, Eighty-ninth Congress, at an estimated cost of \$18,600,000.

The project for hurricane-flood protection at New Bern and Vicinity, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 183, Eighty-ninth Congress, at an estimated cost of \$10,400,000.

Middle Atlantic Coastal Area

The project for hurricane-flood protection and beach erosion control at Ocracoke Island, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 109, Eighty-ninth Congress, at an estimated cost of \$1,636,000.

Flint River Basin

The project for the Lazer Creek Reservoir, Flint River, Georgia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 567, Eighty-seventh Congress, at an estimated cost of \$40,378,000.

The project for the Lower Auchumpkee Reservoir, Flint River, Georgia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 567, Eighty-seventh Congress, at an estimated cost of \$48,275,000.

Central and Southern Florida Basin Comprehensive Plan

The comprehensive plan for flood control and other purposes in central and southern Florida approved in the Act of June 30, 1948, and subsequent Acts of Congress, is hereby modified to include the following items:

The project for flood protection in Hendry County, west of levees 1, 2, and 3, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 102, Eighty-eighth Congress, at an estimated cost of \$4,988,000.

The project for flood protection in Southwest Dade County, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 20, Eighty-ninth Congress, at an estimated cost of \$4,903,000.

South Atlantic Coastal Area

The project for hurricane-flood protection on Biscayne Bay, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 213, Eighty-ninth Congress, at an estimated cost of \$1,954,000.

Phillippi Creek Basin, Florida

The project for flood control on Phillippi Creek, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 156, Eighty-ninth Congress, at an estimated cost of \$4,592,000.

Lower Mississippi River Basin

Comprehensive Plan

The project for flood control and improvement of the lower Mississippi River, adopted by the Act of May 15, 1928 (45 Stat. 534), as amended and modified, is hereby further modified and expanded to include the projects and plans substantially as recommended by the Chief of Engineers in House Documents Numbered 308 and 319, Eighty-eighth Congress, at an estimated cost of \$181,109,000, and the authorization for the lower Mississippi River project is hereby increased accordingly, except that (1) any modified easements required in the improvement of the Birds Point-New Madrid, Missouri, Floodway shall be acquired as provided by section 4 of the Act of May 15, 1928, (2) the pumping plant in the Red River backwater area shall be operated and maintained by the Corps of Engineers, (3) the recommendations of the Bureau of the Budget shall apply with respect to improvements for fish and wildlife, and (4) the requirement of local cooperation for the improvements in the Saint Francis Basin, Arkansas and Missouri, shall be the same as is required by paragraph (c) under the heading "Lower Mississippi River"

in section 10 of the Flood Control Act of 1946.

The project for the Saint Francis River, Missouri and Arkansas, within Drainage District No. 7, Poinsett County, Arkansas, is hereby modified substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 57, Eighty-ninth Congress, at an estimated cost of \$1,372,000.

General Projects

The project for hurricane-flood protection at Grand Isle and vicinity, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 184, Eighty-ninth Congress, at an estimated cost of \$5,500,000.

The project for hurricane-flood protection at Morgan City and vicinity, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 167, Eighty-ninth Congress, at an estimated cost of \$3,049,000.

The project for hurricane-flood protection on Lake Pontchartrain, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 231, Eighty-ninth Congress, except that the recommendations of the Secretary of the Army in that document shall apply with respect to the Seabrook lock feature of the project. The estimated cost is \$56,235,000.

Ouachita River Basin

The project for flood protection on the Ouachita River at Monroe, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 328, Eighty-eighth Congress, at an estimated cost of \$520,000.

Red River Basin

The proviso in the paragraph under the center heading "Red River Basin" in the Act of December 30, 1963 (77 Stat. 840, Public Law 88-253) relating to the Waurika project, Oklahoma, is amended to read as follows: "Provided, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to acquire lands and interests therein required for the establishment of a national wildlife refuge at the reservoir as described in Senate Document Numbered 33, Eighty-eighth Congress, at an estimated cost of \$418,000, whenever the Secretary of the Interior approves the establishment of such a refuge."

The project for flood protection on Bayou Bodcau and tributaries, Arkansas and Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 203, Eighty-ninth Congress, at an estimated cost of \$1,524,000.

The project for Caddo Dam and Reservoir, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, as modified by the Secretary of the Army, in Senate Document Numbered 39, Eighty-ninth Congress, at an estimated cost of \$1,934,000.

The project for Sanders, Big Pine, and Collier Creeks, Texas, as authorized in the Act of October 23, 1962 (76 Stat. 1187), is hereby modified in order to provide for a highway crossing Pat Mayse Reservoir to replace the present FM Highway 1499 across Sanders Creek, at an estimated cost of \$310,000. Such crossing shall be constructed under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with such plans as may be recommended by the Chief of Engineers.

Gulf of Mexico

The project for flood protection on the Buffalo Bayou and tributaries, White Oak

forcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

"(b) Such bonds may be sold at not less than par after public advertisement for bids to be opened publicly at the time and place stated in such advertisement and at the price bid which will yield the greatest return to the commission for the bonds to be sold. Such advertisement for bids shall be published at least once each week for at least two consecutive weeks in a newspaper or financial journal having recognized circulation among bidders for bonds of the type and character offered. The price to be paid for the bridge or bridges acquired hereunder shall not exceed the reasonable value thereof as determined by the commission at the time of acquisition. The cost of the bridge to be constructed as provided herein, together with the approaches and approach highways, shall be deemed to include interest during construction of the bridge and for twelve months thereafter, and all engineering, legal, financing, architectural, traffic surveying, condemnation, and other expenses incident to the bridge and the acquisition of the necessary property, including the cost of acquiring existing franchises and riparian rights relating to the bridge, as well as the cost of abandonment or dismantlement of any existing bridge to be replaced thereby. If the proceeds of the bonds shall exceed the cost as finally determined, the excess shall be placed in the fund hereafter provided to pay the principal and interest of such bonds. Prior to the preparation of definitive bonds the commission may, under like restrictions, issue temporary bonds or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery."

(c) Subsection (a) of section 8 of such Act of December 21, 1944, as amended, is amended by striking out "the bonds and interest," and inserting in lieu thereof: "the bonds, the notes issued under section 5 of this Act, and the interest."

(d) The right to alter, amend, or repeal this section is hereby expressly reserved.

Sec. 314. The Act entitled "An Act creating the Muscatine Bridge Commission and authorizing said Commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Illinois", approved July 26, 1956 (70 Stat. 669), as amended by the Act of April 27, 1962 (76 Stat. 59), is amended by inserting immediately after section 14 the following new section:

"Sec. 15. The Commission and its successors and assigns are authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Illinois, subject to the provisions of this Act; except that the authority granted by this section shall cease and be null and void unless the actual construction of such bridge is commenced within three years and completed within five years from the date of enactment of this section."

Sec. 315. The Secretary of the Army shall transmit to the Committees on Public Works of the Senate and the House of Representatives not later than June 30, 1968, a suggested draft of legislation revising and codifying the general and permanent laws relating to civil works projects by the Corps of Engineers for navigation, beach erosion control, flood control, and related water resources development. The Secretary shall also submit a report explaining the proposed legislation, and making specific reference to

each change in or omission of any provision of existing law.

Sec. 316. The Secretary of the Army, acting through the Chief of Engineers, shall make a study of the need for, and the feasibility of, the Federal Government reimbursing States, political subdivisions thereof, and other public entities, for expenditures incurred by them in connection with authorized projects for improvement of rivers and harbors and other waterways for navigation, flood control, hurricane protection, beach erosion control, and other water resources development purposes, to the extent that such expenditures are incurred after the initiation of the survey studies which form the basis for such authorized projects. The Secretary shall report to Congress, not later than January 31, 1967, the results of such study together with his recommendations in connection therewith.

Sec. 317. Title III of this Act may be cited as the "River and Harbor Act of 1965".

Mr. McNAMARA. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. McGOVERN in the chair) appointed Mr. McNAMARA, Mr. RANDOLPH, Mr. MUSKIE, Mr. GRUENING, Mr. MOSS, Mr. COOPER, and Mr. FONG conferees on the part of the Senate.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MORSE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 25, it is proposed to strike out "\$1,170,000,000" and insert in lieu thereof "\$878,000,000".

Mr. MORSE. Mr. President, on my amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, the amendment would reduce the amount to be appropriated for military assistance by 25 percent. It would reduce the appropriation from \$1,170 million to \$878 million. The amendment would leave to the discretion of the President the way in which he would apply the reduced amount.

I would be willing to apply to economic assistance the amount saved by a reduction of military assistance. That would mean that approximately \$292 million additional would be available for economic assistance. I say to the administrators that \$292 million for economic assistance would be worth billions in good will and understanding.

I hope that there will be a reduction in the wasteful, inefficient military aid program. Again, I merely cite and stand on the authority of the reports of the Comptroller General of the United

States which, over the years, have been filed with the Senate, but which I fear too few Senators have read, although I bring them to the floor of the Senate each year.

I have presented other Comptroller General reports on the floor of the Senate each year and called them to the attention of the Senate. As I said in my speech last night, the reports this year measured over 24 inches high. Each report is the dimension of Time magazine so far as the size of the report is concerned. The reports contain devastating findings in regard to the inefficiency and waste and the cause of corruption in both our military and economic aid all around the world.

Most reports on military aid are marked "confidential" and "secret." We cannot make them available to the American people, who are entitled to know what is contained in the reports. However, under the rules I have been able in the last 2 years to read the titles of the reports. The titles will be found in the speeches that I made against foreign aid this year. All one has to do is to read the titles. Let me say that the contents of the reports bear out the titles. The titles indicate very clearly the great abuse that exists in connection with foreign aid.

The Comptroller General in testimony this year spoke of the serious criticism of the Comptroller General's findings in regard to the Defense Establishment in respect to the military foreign aid. All I ask is that we start to eliminate this great waste.

My proposal to reduce the military aid by 25 percent would not at all, in my judgment, weaken either the security of the United States or the security of any ally, real or potential.

Next year, when the foreign aid bill is before us, I hope that I shall be able in good conscience to recommend an increase in economic aid, not only by the dollar amounts that I am seeking to eliminate from military aid now, but also, if Congress would go along with an economic aid program—based not on a giveaway program, based not on a soft currency program to any degree, based not on a program that involves too high a percentage of grants—based upon an economic program related to hard loans dealing with economic projects that would help raise the economic standard of living of the people, and help the beneficiaries of those projects. I would be willing to vote \$2 in that kind of economic aid for every dollar of savings that we make for the American taxpayer in military aid.

In my judgment our military aid is not helping to protect freedom. It is helping to spread communism in the world. If the \$292 million is spent for military assistance, in my judgment it will buy the American people the equivalent of billions of ill will. It is time now for us to start the process of trimming military assistance at every opportunity.

If we were ever to begin to reduce these military appropriations and shift them to economic development purposes, I would still insist that new economic aid be handled on a better basis than is now the case. However, in case someone

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may not fully understand my amendment, my amendment bears no relationship whatever to any expenditures in South Vietnam. My amendment would leave it to the President to distribute the savings in military aid.

I well know, Mr. President, that if we continue this unconscionable war in South Vietnam, we shall have to appropriate hundreds of millions, and probably billions of dollars, in the next few years to give adequate protection by way of equipment and supplies to American boys who have been sent over there to fight, and many of them to die, in this undeclared war.

A few weeks ago in the debate on the defense appropriation budget, some Senators were raising the question, "I wonder what the senior Senator from Oregon is going to do now. It will be interesting, will it not, to see whether the senior Senator from Oregon will vote for this military appropriation bill." I answered those Senators who thought they were raising an embarrassing argument. I said that I would continue to do everything I could to try to get my country to change its ill-advised course of illegal warmaking in southeast Asia. However, as long as we are sending boys into Asia to die for a cause that I think we never should have started in the first place, I intend to vote for whatever appropriations are necessary to give them the maximum amount of protection. I intend to continue working as hard as I can, and later today I shall have some comments on a law memorandum, prepared by a group of American lawyers, which soundly criticizes—and sets forth the legal answers in support of its criticism—America's position in southeast Asia from the standpoint of our international law obligations.

Mr. President, I oppose the war in southeast Asia in the absence of a declaration of war until the President of the United States decides to get back inside the Constitution of the United States and decides that he has an obligation to live up to the obligations of the Constitution. Woodrow Wilson taught that lesson on the night of April 17, 1917, when he came before a joint session of the Congress and told Congress that he was without constitutional authority as a President of the United States to conduct a war in the absence of a declaration of war. Franklin Roosevelt taught the present President of the United States—if he would learn the lesson—when he came before a joint session of the Congress after Pearl Harbor and made it perfectly clear that, under the Constitution, the President of the United States is obligated to recommend a declaration of war before sending American boys to die in a war.

That has been my position as I have battled away on the floor of the Senate for more than 4 years for the substitution of a rule of law for the jungle law of the claw that my Government is applying in an undeclared war in southeast Asia.

Let me make it very clear that my amendment would not in any way affect the expenditure of funds in southeast Asia in the protection and defense of

American boys. However, it would say to the President, "Mr. President, we think the military aid program contained in this bill is excessive, and we vote to reduce it by 25 percent; but we leave it up to you to make the decisions as to where the savings in military aid shall be made."

The interests of the United States demand that we stop arming the world against itself, that we start helping people to better their lives, and, finally, that we provide the help not on a dole basis, but on the basis of giving recipients a chance to be proud of their own effort toward self-help.

It was necessary for the chairman of the Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT] to leave the floor of the Senate momentarily because of official business elsewhere. If he were present, he would verify what I now say. I see the Senator from Idaho [Mr. CHURCH], and the Senator from Missouri [Mr. SYMINGTON], both of them members of the Committee on Foreign Relations, present on the floor.

The objectives of the amendment I am offering this afternoon were discussed at great length time and time again in the Committee on Foreign Relations during this session. For example, on April 1, 1965, the Committee on Foreign Relations, while considering a markup on the foreign aid bill, voted by a vote of 11 to 3 to cut the military aid section of the bill by \$115 million.

The Pentagon went to work. We received calls from their top lobbyists, seeking to restore the \$115 million.

An interesting discussion ensued. At a later meeting of the Foreign Relations Committee, a motion to reconsider was made. It was perfectly proper to make it. After a long discussion, the \$115 million was restored, by a vote of 10 to 8. By a vote of 10 to 8, but with a considerable number of proxies used in getting the vote of 10 to restore it.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CHURCH. I am highly pleased that the Senator from Oregon has brought this matter up once again. He is quite right when he observes that the reversal of the committee's initial action, in this particular case, was brought about by the use of proxies from Senators who did not have the full benefit of the discussion that had preceded the first action taken by the committee.

The distinguished Senator from Oregon will remember that when the authorization bill came to the Senate, I attempted to amend the bill on the floor, as we had initially amended it in the committee, and that effort failed on a vote of 43 to 38, but only after a determined effort was made by the State Department and the Pentagon against the amendment.

The argument that was then made by those who favored the amendment had to do with the very matter that the senior Senator from Oregon has stressed on the floor this afternoon, namely, that to enlarge the military assistance program, as was proposed, could only mean

that greater quantities of armaments would be given to countries which would not use the weapons as a shield against potential Communist aggression, but rather against one another. We have seen this happen in the recent war between India and Pakistan.

In the new issue of Newsweek magazine, we read of the first repercussions of our policy of arming India and Pakistan. It is apparent that the harvest will be bitter.

Newsweek quotes an Indian officer in the field, fresh from battle, saying:

Everything we have captured is made in the U.S.A.—first-aid kits, sleeping bags, parachutes, weapons, bullets, and tanks.

Before we are finished, we shall find both India and Pakistan pointing to the United States as the scapegoat. I commend the Senator from Oregon for the effort he is making to cut back a program which, in the estimate of the senior Senator from Idaho, has done us damage in many parts of Asia, Africa, and Latin America. He knows that some of us on the committee have attempted to hold the line, to cut the program back, and to impose a reasonable ceiling on it; and it has always been a very frustrating fight, but a fight that must be made. If ever there was dramatic proof of the soundness of that fight, it was laid out upon the battlefields of Kashmir.

So I commend the Senator. I believe he has reviewed very well the situation in the Foreign Relations Committee. I thank him for his efforts in vindicating the position we took then and the position that we take again in the Senate this afternoon.

Mr. MORSE. Mr. President, I thank the Senator from Idaho for the position he has taken in support of this view. The Record should show that the senior Senator from Idaho, as much as any other Senator on the Foreign Relations Committee, has been out in front of the effort to cut military aid. Time and time again, the Senator from Idaho has offered amendments in the committee seeking to cut the military aid program. In debates on the Senate floor, when the foreign aid bill has been before us over the past several years, the senior Senator from Idaho has been among those offering amendments to cut the military aid part of the bill. He is very kind to commend me for my efforts. The Senator from Idaho has been one of my leaders on this matter, as we have joined forces in the Foreign Relations Committee, trying to bring what we considered to be reason to bear with regard to the military aid program.

I yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I shall support the pending amendment, as I have supported the other amendments of the Senator from Oregon this afternoon. He is dead right in his effort to cut military aid to Latin America, India, Pakistan, Greece, Turkey, and southeast Asia, for the reasons so eloquently stated by the Senator from Oregon and the Senator from Idaho.

However, I wish the Record to show that I do not go along with the Senator in his efforts to cut economic aid. I be-

lieve the United States is serving its own best interests, as well as meeting a compassionate obligation as the greatest and richest country in the world, by maintaining a substantial economic aid program. I do not wish to get into an argument with my friend from Oregon, but I wish to state that I support him wholeheartedly in his military aid position.

Mr. MORSE. I thank the Senator from Pennsylvania very much. There is one difference between us as to economic aid; that is as to how we can improve it. I believe that we should be voting more money for economic aid. The Senator from Pennsylvania could carry me along, if he could be a little more successful in convincing the majority of the committee that we could do something about making economic aid more effective.

Mr. SYMINGTON. Will the Senator yield?

Mr. MORSE. I yield to my friend from Missouri.

Mr. SYMINGTON. First, I would commend the able senior Senator from Oregon for the conscientious and intensive analysis he has given the program in recent years. My interest in said program was aroused by his discussion in the past of the so-called soft loan window of the World Bank, the International Development Association. To my best recollection, the rationale presented for creating that soft loan window was that although not too much money was required in the future in Europe and Asia, considerable would be needed in South and Central America. As developed by the Senator from Oregon, 60 percent of all the aid in IDA loans the previous year had gone to India, and 80 percent had gone to India and Pakistan. Actually, only one loan, and that a relatively small one, went to a Caribbean country.

As a result, many of us voted against increasing the amount available to this soft loan window, IDA.

Then there is the soft loan window of the Inter-American Development Bank, the Social Progress Trust Fund.

And as I understand it, we are now planning to set up a new bank for the Far East. I hope this bank will not also have a soft loan window.

Mr. MORSE. Mr. President, I doubt if it will even be soft currency. It will probably be script or coupons.

Mr. SYMINGTON. That might well be the case. I back the apprehension of the able Senator from Oregon because the last great power left in the world capable of resisting totalitarianism lies in the American economy. In our way of life our physical strength can come only from economic strength.

For nearly 15 years, in every year since 1949 except 1957, we have run a heavy unfavorable balance-of-payments deficit. If this is not corrected, and corrected soon, the value of the dollar could be jeopardized.

If that should happen, in turn it could be the greatest single economic action against what is best for all free people.

Mr. MORSE. I thank the Senator from Missouri very much. As he knows, he has offered amendments and I have cosponsored his amendments to carry out his objectives, seeking to improve

foreign aid from the standpoint of what mismanagement of foreign aid is doing to the whole balance-of-payments problem that confronts us.

Mr. SYMINGTON. I pay tribute—and I know the Senator from Oregon does also—to the able present Administrator, David Bell. The fact is, however, that personnel handling our foreign programs has grown in this century from under 100 to many thousands. As the Senate knows, I do not believe the State Department has given full and adequate recognition to the importance of training all this new personnel necessary to handle such vast programs.

That is another reason I join the Senator in his apprehension. But the chief reason to me is the growing problem of our monetary position.

Let me again commend him for the thorough work he has done in this field.

Mr. MORSE. The best way to give David Bell a hand is to change our policy on foreign aid so that he can administer a foreign aid program under a policy which is defensible.

I close by saying that if we are to have a military aid program, it should be greatly reduced under its present level. If we are to provide help, it should be provided not on a dole basis, but on the basis of giving the recipient country an opportunity to be proud of its own efforts toward self-help.

There should be a great reduction in the grant features of the military aid program. I do not believe that we should be helping to build up a military machine, or a program, in any country that is beyond the level its economy can support.

By following the course of action we are following in Greece and Turkey, Pakistan, India, and other countries, where we are pouring in aid beyond the ability of those countries to support it from their economic resources, we shall weaken their economic fabric. Instead of helping them, we shall be injuring them. We shall be playing into the hands of the leftist elements which are a constant threat to the survival of free governments in those parts of the world which we wish to sustain.

If a war comes, they will be able to fight only to the extent that the United States decides to pour billions more into their economies and defense establishments.

The way to sustain them is not by way of military aid, but the way to sustain them is to do something to help their people enjoy the fruits of economic freedom.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McGovern in the chair.) The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, needless to say, I am opposed to the pending amendment. One prime fault I find

with it is, Why the \$292 million figure? Why not make it easier for bookkeeping purposes and make the figure \$300 or \$400 million? Make it an even figure.

The rationality being used is that the percentage is 25 percent. Why 25 percent? Why not make it 30 percent? Why not make it 35 percent?

Vote against the whole program, if we wish to do so.

No Senator yearns more for peace than I do.

I have been a member of the Joint Committee on Atomic Energy since 1953, and I have followed all the discussions with Russia with reference to the Nuclear Test-Ban Treaty. I was one of those designated by President Kennedy to go to Moscow to witness the initialing of the Nuclear Test-Ban Treaty.

Mr. President, no Senator longs more than I for the day when we can convert all of our guns into plowshares. But, we live in a sorely troubled world. We live in a world where we are becoming more and more conscious of the fact that we cannot stand alone, that the responsibility is not ours alone, but that of many other friends and allies who have their own internal problems as well.

The figure that was submitted to Congress and attested to by the Chairman of the Joint Chiefs of Staff—men who are responsible for the security of this country—was \$1,170 million. That is the figure which was given in the House, which was scrutinized and studied by the House, and finally came over to the Senate. The Senate held hearings on it day in and day out.

I must regretfully say that there were times in committee when I stood alone, almost as I stand alone on the floor of the Senate today.

I have often wondered why the chairman of the full committee chose me to be the Senator in charge of the foreign aid bill.

When I listen to the Senator from Oregon (Mr. MORSE), whom I have admired and respected, and with whom I have stood shoulder to shoulder on many common problems, when I see my own colleagues such as the Senator from Pennsylvania and the Senator from Idaho falter by the wayside, I begin to wonder.

They must have picked me out because they figured I was so small a fall would not hurt me that much.

This is a thankless job, one might say. But, it is an important job.

The Senate is a body of 100 Senators. We can guess today and be wrong and take another guess tomorrow. But the man who sits in the White House has to be right the first time. He does not have a second guess. He is responsible for the security of the Nation. And today he is entrusted with the responsibility of insuring peace in the world. I am beginning to feel that there are some Senators who have an idea that the military assistance program is a Santa Claus program, a giveaway program. That is primarily where the misconception lies. Remember, for every gun that is shouldered by a Greek or a Turk or anyone else to whom we give military aid it means that an American boy does not have to go there.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. GRUENING. Does the Senator apply this argument to the military aid that has been given to India and Pakistan? Does he think that is a worthy cause? Does he think it has worked out there? The aid was given to them to fight communism—Red China. Does the Senator approve that program as it has worked out in fact? Should we continue to give them such aid when they use it to fight each other? The only reason they have stopped fighting now is that we have temporarily withdrawn the military aid.

Mr. PASTORE. The Senator speaks as if the Kashmir problem was started by the Senator from Rhode Island. I have nothing to do with that problem. That problem has to do with the Moslems and the Hindus. But when we began to give aid to Pakistan after World War II under Harry Truman, and we continued it under Dwight Eisenhower, and under John F. Kennedy, and continued it under Lyndon Johnson, why did we do it? Because we wanted Pakistan to fight India? Of course not.

Mr. GRUENING. How has it worked? It has not.

Mr. PASTORE. Wait a minute. The Senator asked me a question. I will give him a full answer. If I am remiss in any way, the Senator may ask me another question.

We gave all this money to that country because we wanted to stop the onslaught of communism. I am saying to my distinguished friend from Alaska, Stop the military aid program and creeping communism will become galloping communism.

It is easy enough to stand here and condemn. I do not like the conflict. But does the Senator ever stop to think that it was the benevolence of the United States toward Ayub Khan, Shastri, and Nehru that made them listen and satisfy the demand of the United Nations, so that today we have a cease-fire in effect? If that result cost every single dollar we gave, it was worth the price. If the mood we inspired the other day and yesterday, which brought about a cease-fire and will cause the United Nations to bring about a negotiated peace in Vietnam, it will be worth every American dollar that has been spent.

Oh, yes, India did fight Pakistan. And who likes it? I do not like it. What did we do? We stopped giving them military assistance.

Mr. GRUENING. Correct at long last.

Mr. PASTORE. We stopped it. But the President has said—and do not forget, he cannot afford to be wrong—"Do not take the aces out of my deck now." That is what the Senator is suggesting today. He is taking the aces out of the deck and putting the jokers in.

Mr. GRUENING. I have not done that.

Mr. PASTORE. The Senator is trying to do it, when he votes "yea" on this amendment.

Mr. GRUENING. The Senator is quite mistaken.

Mr. PASTORE. That is a difference of opinion.

Mr. GRUENING. I will tell the Senator what I am going to propose when he is through.

Mr. PASTORE. That is a difference of opinion. I am saying to my colleagues that this is a meataxe cut. They did not analyze it. They merely said, "Knock off 25 percent. Let the President take it off where it pleases him. Let the President stay up until 12 o'clock, 1 o'clock, 2 o'clock, 5 o'clock, 6 o'clock, to figure out where he is going to take out the \$292 million." They did not even make it easy for him by providing a \$300 million cut. He would not have had to figure it so closely, because a \$300 million cut would have been easier. So he has to figure out where he is going to cut the \$292 million. Why? Because the Senator from Oregon has never agreed with the Vietnam policy, and has not agreed with the foreign aid program. He has a perfect right to disagree. Does not the Senator think I like an economic program better than I like a military assistance program? Does not the Senator believe that I, with three children, look forward to that bright day of peace? Of course I do. My boy's service time is on the verge now. His medical studies will be finished soon. There is nothing bellicose about me. Does the Senator think I am trying to promote the trafficking in arms by the United States of America? Of course not.

But we have a difficult task. We are living in a world in ferment. As I have said before, these problems have their genesis in a time before this country was a republic. Because those problems have not been straightened out overnight, some of us will not wait and work for the dawn of another day. But the Senator has one thing on his side. If he is wrong today, he can make another guess tomorrow. That is the privilege of a Senator. That is not the prerogative of the President, whether it be President Johnson, President Kennedy, President Truman, or President Eisenhower.

The bill was voted on from June 7 until June 14. This question was thrashed out. This is a warmed-over tune today. It is the same record. We play it over and over and over again. The Senator puts it in here, and it comes out there. It is the same old story.

I find no pleasure in this particular responsibility, the management of this bill. I do my duty, according to my good conscience, as well as I can. I did not even shed a tear when the bill was cut by \$50 million. I thought, if that is the conscience of the Senate, let it be. When the Senate refused to cut \$25 million, or 30 percent, from military assistance to Latin America, and that cut was rejected by two votes, I did not jump with joy. There was no occasion for it. Here we are. The decision is that of Senators. I have done my job as best I could. Now the Senator summarily tries to cut it 25 percent, and the only argument he has is this: Let the President sweat it out and worry where he is going to take it off. If we cut it down this much, the administration will have to do a better job.

If that is the way the Senator feels about it, why not cut it all out? If we cannot take the word of the Joint Chiefs of Staff, if we cannot take the word of the Commander in Chief, whose word are we going to take? To whom will the American people look? To whom will the free world look if the free world cannot look to the Chief Executive of the United States?

I am not saying or pretending for one moment that we should be a rubber-stamp. But we have already acted on this matter. We did it several months ago. We went over all this in committee. Not a single Member of the Senate came before the committee to testify. They were saving their salvos for the floor. Now we are at the Rubicon. We either cross—or turn back from decision and destiny.

Mr. President, I yield back the remainder of my time.

Mr. GRUENING. Mr. President, I want to say that I have listened to the wonderful eloquence of my colleague, the Senator from Rhode Island, but I do not agree with what he said. He said we went through this months ago. But something happened only a few days ago. That was that the arms which we had been pouring into India and Pakistan for years to help them resist possible Chinese aggression were used to fight each other. We had been saying that they would do that, but we did not have the proof that this was being done until then. The lavish aid was not being used for the purposes intended. It is not being used to fight communism. It is being used to fight each other.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GRUENING. May I finish my statement?

Mr. PASTORE. Very well.

Mr. GRUENING. Right now, while we have been pouring in this money, Pakistan is steadily moving closer to Red China.

Is the Senator from Rhode Island prepared to face the fact that the situation has changed, and that if we temporarily cut down this program to see whether they behave themselves for the next year, if it seems advisable, it can and should be done?

As the distinguished senior Senator from Idaho (Mr. CHURCH), pointed out, the tanks, guns, sleeping bags, ammunition, equipment, and everything found on the field of battle in the tragic war between Indian and Pakistan, now suspended, was of American make.

Why did they stop fighting? It was not because we have been giving them aid, but because we suspended it. If we restore aid now they are likely to resume fighting.

Mr. PASTORE. The amount in the bill is \$1,170 million. The Senator would cut it by 25 percent, not taking it from India or Pakistan, according to this amendment. The amendment that would have affected these two countries was rejected.

There is nothing in the bill that prohibits the President, the State Department, or the Military Establishment of

this country from using the money for that purpose.

I say to the Senator that there would have been the Kashmir problem even if we had given no military assistance. We did not give them arms to fight over Kashmir. They might have been fighting with broomsticks.

Mr. GRUENING. That would have been better.

Mr. PASTORE. That is all right. But the fact is that if Peiping saw they had broomsticks they might have moved in and taken over. Where would we be if India were taken over by Red China? Does that not give the Senator concern? Of course it does. There are over 500 million people there. If we can save that country we are going to save it.

We shall have many aches and pains. Things are not always going to come out our way.

I am not condoning the fight between Pakistan and India. All I am saying is, thank God, as a result of the cease-fire, there may be a rule of benevolence for those people. It helped there and it may be that it will help in Vietnam.

That is all I am saying. I do not condone the fighting between Pakistan and India. The President made a strong plea that we not give this help and military assistance unless we are sure it is going for the peace of the world. He made that statement. I am willing to trust him.

We have not been giving them military aid or even economic relief since July. The only thing we gave was help under Public Law 480.

If a little economic aid at this point can bring about tranquility in that part of the world that is in ferment, with Red China grasping every chance she gets, does not the Senator think we have something to lose?

Does the Senator believe the Secretary of Defense is Santa Claus, giving this money away? Does the Senator think the four Presidents under whom we served want to give it away?

We are not satisfied with everything that has happened. But mankind is complex. With a little calmness and patience and little help, perhaps this program can save the world when it could have been destroyed by fire.

Mr. GRUENING. I have one word to say. This amendment is moderate. It cuts 25 percent from the overall amount.

The PRESIDING OFFICER. Will the Senator suspend while the Chair determines who yields time?

Mr. PASTORE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 10 minutes remaining.

Mr. PASTORE. I yield 5 minutes to the Senator from Alaska.

Mr. GRUENING. I thank the Senator from Rhode Island. I do not need that much time.

Mr. PASTORE. The Senator may use whatever time he needs.

Mr. GRUENING. We have a far-flung military program of over \$1 billion. All this amendment would do would be reduce it by 25 percent, giving the Presi-

dent the opportunity to decide where the reduction should be made. It is easy for him to decide. He should withdraw military aid from India and Pakistan for a few months until it is clear that they are not going to resume their folly, and in Latin America where would-be dictators are attempting to overturn established governments.

Does not the Senator believe we in the Congress have something to say in this matter? Is it not about time that we stood up and be counted to show how we feel? Are we going to give a blanket endorsement to everything that comes from the Pentagon? I say, "No." It is time that we show we have an opinion, and that we object to continuing past follies.

Mr. MORSE. Mr. President, I shall use my remaining time.

I judge from the remarks of the Senator that he does not like the legislative process of the Senate because he is concerned and disturbed about the fact about leaving to meet the issue again in connection with the passage of the appropriation bill. After we go through all the process of passing an authorization bill we go through the process of appropriation.

The Appropriations Committee has available to it the entire record that has been made in connection with the authorization bill.

If it is said that people have not come in to testify, the answer is that judicial notice can be taken of the fact that every member of the Appropriations Committee was well versed, on the basis of what had been submitted, on the authorization bill and the discussion of it, and what the criticisms of the military aid and economic aid programs were.

Let us not worry about the problem that would be presented to the President of the United States in making the reductions. The Senator from Alaska [Mr. GRUENING] has alluded to the aids that are available to the President. He has available to him also what the record shows to be the unconscionable and inexcusable waste of military aid in country after country. If he followed only the recommendations of our own Comptroller General, he could save much more than the 25 percent that is covered by the pending amendment.

The President of the United States has a responsibility, as the Commander in Chief, if Congress decides that we ought to cut back on military aid, to proceed to make the cut in accordance with the decision of Congress. That is our legislative process. It becomes the duty of the President of the United States.

Let us not worry about his problem in regard to it.

In my first speech this afternoon, and in other speeches I have made on foreign aid, I have already pointed out what is in the pipeline. We could cut 25 percent, the amount called for in my amendment, and we would still not spend in those countries what will be remaining in the pipeline.

As I said earlier, this has nothing to do with Vietnam.

The issue is whether the Senate at every point in the legislative process,

when we are called upon to vote, will again consider the facts involved in this issue.

I cannot escape the conclusion, when listening to the Senator from Rhode Island, that he believes, once we vote on the authorization bill, that ought to be the end of it and that we should accept without question what comes to the Senate from the Appropriations Committee.

That is not our legislative process. We still retain—and sometimes I wonder how much—some check on the Appropriations Committee. However, after I have listened to some of the managers for various bills in the Senate, I wonder if we are not guilty of some kind of wrong if we question the decision of the Appropriations Committee, and do not take it for granted when the Appropriations Committee brings to the floor of the Senate a bill and its report.

Lastly, Mr. President, we have all heard the representatives of the Appropriations Committee and some Foreign Relations Committee representatives, talk about the thankless job on the floor of the Senate of handling foreign aid authorization bills and foreign aid appropriation bills.

I wonder if their moans and groans are not occasioned by the fact that they cannot defend the present AID program, then find little good to say for it, and that is why they consider it a thankless job.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. PASTORE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. GORE], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. KENNEDY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Utah would vote "yea," and the Senator from Massachusetts would vote "nay."

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On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Texas would vote "nay."

The result was announced—yeas 30, nays 56, as follows:

[No. 270 Leg.]

YEAS—30

| | | |
|--------------|---------------|--------------|
| Bayh | Ervin | Morse |
| Bibbs | Fannin | Mundt |
| Burdick | Fong | Nelson |
| Byrd, Va. | Fulbright | Proxmire |
| Byrd, W. Va. | Gruening | Randolph |
| Church | Hruska | Robertson |
| Clark | Jordan, Idaho | Russell, Ga. |
| Cotton | Long, La. | Symington |
| Douglas | McClellan | Talmadge |
| Ellender | McGovern | Young, Ohio |

NAYS—56

| | | |
|----------|--------------|---------------|
| Alken | Dirksen | Holland |
| Allott | Dodd | Inouye |
| Bartlett | Dominick | Jackson |
| Bass | Eastland | Javits |
| Boggs | Harris | Jordan, N.C. |
| Brewster | Hart | Kennedy, Mass |
| Cannon | Hartke | Kuchel |
| Carlson | Hayden | Lausche |
| Case | Hickenlooper | Long, Mo. |
| Cooper | Hill | Magnuson |

Mansfield
McGee
McNamara
Metcalf
Miller
Monroney
Montoya
Morton
Moss

Murphy
Muskie
Neuberger
Pastore
Pell
Prouty
Rabiboff
Russell, S.C.
Smathers

Smith
Stennis
Tamm
Trotter
Tulley
Watts, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—14

Anderson
Bennett
Curtis
Gore
Kennedy, N.Y.

McCarthy
McIntyre
Mondale
Pearson
Saltonstall

Scott
Sipson
Specter
Trotter

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIRKSEN. Mr. President, I yield myself 30 seconds on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 30 seconds.

FIFTY EXAMPLES OF AUTHORIZATIONS AND APPROPRIATIONS IN THE 89TH CONGRESS

Mr. DIRKSEN. Mr. President, the staff of the Senate Republican policy

committee has prepared a sample list of 50 examples of estimated authorizations for appropriations, which either already have become law or are being considered, in this session of the Congress.

The examples give an estimated first year authorization, the number of years for a program or programs in the measure or law, and the estimated amount authorized for the total number of years. Of course, as bills follow the traditional course through committees, and action in the Senate and House and possible Conference consideration, some figures may change, but in most cases not substantially.

The 50 examples, however, give a graphic account of the amount of money being authorized for possible future authorizations. In these 50 examples alone, I believe, the total is in excess of \$112 billion. The staff deserves credit for pointing out these examples—without comment one way or the other—to show the direction in which we are moving. The list undoubtedly will be of considerable use to all Senators.

I ask unanimous consent the tabulation be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Fifty examples of estimated authorizations for appropriations

| Example of legislation | Estimated costs | | | Example of legislation | Estimated costs | | |
|-------------------------------------------------------------------------------|-----------------|-------|-------------------|-----------------------------------------------------------------------------------------------|-----------------|-------|-------------------|
| | 1st year | Years | Cumulative amount | | 1st year | Years | Cumulative amount |
| 1. Housing, rent subsidies, and urban development (Public Law 89-117)..... | \$935,000,000 | 4 | \$7,400,000,000 | 28. Vocational rehabilitation programs (H. R. 8310)..... | \$400,000,000 | 3 | \$1,414,250,000 |
| 2. Community health services and immunization (Public Law 89-109)..... | 28,000,000 | 4 | 112,000,000 | 29. Health professions education (H. R. 3141)..... | 200,000,000 | 4 | 800,000,000 |
| 3. Rapid rail transit, Washington, D.C. (Public Law 89-173)..... | 431,000,000 | 3 | 431,000,000 | 30. Arms control and disarmament (Public Law 89-27)..... | 10,000,000 | 3 | 30,000,000 |
| 4. Poverty program expansion (H. R. 8283)..... | 1,800,000,000 | 3 | 5,400,000,000 | 31. Pesticides research (S. 1623)..... | 3,200,000 | 3 | 13,200,000 |
| 5. Federal aid to higher education (H. R. 9567)..... | 672,000,000 | 3 | 4,700,000,000 | 32. Health research facilities extension (Public Law 89-115)..... | 93,600,000 | 3 | 280,000,000 |
| 6. Area redevelopment, public works acceleration (Public Law 89-136)..... | 760,000,000 | 3 | 3,250,000,000 | 33. Veterans rehabilitation cost-of-living increases (Public Law 89-137)..... | 1,600,000 | 5 | 8,100,000 |
| 7. Community health, mental facilities, and staffing (Public Law 89-105)..... | 45,000,000 | 4 | 235,000,000 | 34. Training seriously disabled veterans (Public Law 89-130)..... | 3,200,000 | 5 | 16,000,000 |
| 8. Social security, medicare, and public assistance (Public Law 89-97)..... | 6,500,000,000 | 5 | 32,500,000,000 | 35. Ship construction subsidies (H. R. 4346)..... | 124,900,000 | 5 | 124,900,000 |
| 9. Regional medical centers (S. 596)..... | 30,000,000 | 4 | 650,000,000 | 36. International Coffee Agreement (Public Law 89-23)..... | 150,000,000 | 5 | 150,000,000 |
| 10. Appalachia assistance (Public Law 89-4)..... | 365,000,000 | 6 | 1,092,400,000 | 37. Water Resources Research Act (S. 22)..... | 5,000,000 | 5 | 89,000,000 |
| 11. Water Resources Planning Act (Public Law 89-80)..... | 11,700,000 | 10 | 117,000,000 | 38. Peace Corps extension (Public Law 89-134)..... | 115,000,000 | 3 | 345,000,000 |
| 12. Manpower development and training (Public Law 89-15)..... | 454,000,000 | 4 | 1,810,000,000 | 39. National Teacher Corps and fellowship for elementary, secondary schools (H. R. 9627)..... | 35,000,000 | 3 | 236,000,000 |
| 13. Federal aid to elementary, secondary schools (Public Law 89-10)..... | 1,340,000,000 | 5 | 6,600,000,000 | 40. National Aeronautics and Space Administration (Public Law 89-35)..... | 5,109,000,000 | 5 | 26,000,000,000 |
| 14. Older Americans Act (Public Law 89-73)..... | 8,500,000 | 5 | 49,000,000 | 41. Conservation program for Great Lakes fish (H. R. 25)..... | 5,000,000 | 5 | 25,000,000 |
| 15. High speed rail service research (S. 1548)..... | 20,000,000 | 3 | 90,000,000 | 42. Crime control training (H. R. 8027)..... | 2,000,000 | 3 | 10,000,000 |
| 16. Military pay raise (Public Law 89-132)..... | 1,040,000,000 | 5 | 5,240,145,000 | 43. National wild rivers system (S. 1446)..... | 1,800,000 | 5 | 9,000,000 |
| 17. Federal pay raise (H. R. 10281)..... | 621,000,000 | 5 | 6,821,000,000 | 44. Teacher salaries (H. R. 10622)..... | 50,000,000 | 3 | 150,000,000 |
| 18. National Arts-Humanities Foundation (H. R. 9460)..... | 20,000,000 | 3 | 60,000,000 | 45. Cape Lookout National Seashore (S. 251)..... | 9,300,000 | 3 | 9,285,000 |
| 19. Highway beautification (S. 2084)..... | 160,000,000 | 2 | 320,000,000 | 46. St. Charles Seaside Railway (S. 670)..... | 6,500,000 | 3 | 6,500,000 |
| 20. State Technical Services Act (Public Law 89-182)..... | 10,000,000 | 3 | 60,000,000 | 47. Ellis Island National Monument (H. R. Res. 454)..... | 6,000,000 | 3 | 6,000,000 |
| 21. Rivers and harbors projects (S. 2300)..... | 1,989,000,000 | 3 | 1,989,428,500 | 48. Assateague Island National Recreation Area (Public Law 89-195)..... | 24,000,000 | 3 | 24,015,000 |
| 22. Peace-time GI cold war benefits (S. 9)..... | 338,000,000 | 5 | 1,690,000,000 | 49. Spruce Knob (W. Va.) Recreation Area (S. 7)..... | 19,800,000 | 3 | 19,780,000 |
| 23. Water pollution control (S. 4)..... | 170,000,000 | 4 | 340,000,000 | 50. Juvenile delinquency program (Public Law 89-64)..... | 6,500,000 | 2 | 16,500,000 |
| 24. Saline water (Public Law 89-118)..... | 35,000,000 | 5 | 175,000,000 | | | | |
| 25. Air pollution (S. 306)..... | 20,000,000 | 3 | 60,000,000 | | | | |
| 26. Additional cost of river basin projects (Public Law 89-42)..... | 944,000,000 | 2 | 944,000,000 | | | | |
| 27. Pension increase for Federal employees (H. R. 8469)..... | 101,900,000 | 5 | 559,500,000 | | | | |
| | | | | Estimated total authorizations..... | | | 112,717,983,500 |

NOTE

1. The above list does not include a number of other important authorization measures, such as the multibillion, 4-year farm bill, presently in conference; the foreign aid authorization bill; authorization for expenditures from the highway trust fund for interstate highways; increases in the U.S. quota to the International Monetary Fund and Inter-American Development Bank Fund (both of which are now public law); the increase in Small Business Administration loan funds; various projects listed in such authorization measures as for the Interior Department, military procurement, health, education, and welfare Department, and other departments, as well as a number of other separate authorization measures for public works projects, studies of crime, the metric measure system, etc.

2. Some of the authorizations in the list of 50 were selected only to show the wide variety of bills.

3. In some instances, the 1st year authorization in the above list is increased for the following years and thus the cumulative amount will be greater than the 1st year figure multiplied by the number of years. In the case of a few bills, like the NASA authorization measure, the 5-year total is based on the recent yearly average authorization. On the other hand, it should be noted that where some programs, like Federal pay raises show only a 5-year total authorization, they actually will continue for years.

Mr. DIRKSEN. Mr. President, I yield 30 seconds under the bill to the distinguished minority whip.

The PRESIDING OFFICER. — The Senator from California is recognized for 30 seconds.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

FOREIGN AID: PUBLIC LAW 480 AND SOUTH VIETNAM

Mr. KUCHEL. Mr. President, during the consideration of the foreign assistance appropriations for fiscal year 1966 by the Senate Committee on Appropriations, I submitted several questions for the administration to answer. These questions concerned the utilization of the soft currencies accumulated in foreign countries as a result of transactions under Public Law 480, the need for more imagination and initiative to prevent a decline in the value of these soft currency deposits as a result of devaluation, and the need to utilize these soft currency deposits to offset our balance-of-payments deficit. I also raised questions regarding our land reform policies in South Vietnam and suggested that we improve our health program there by taking some of our Second World War hospital ships out of mothballs and staffing them to aid the great concentration of South Vietnamese people who live along the coast. Answers to these questions were submitted by the Department of State.

I ask unanimous consent that the questions and answers be printed at this point in the Record.

There being no objection, the questions and answers were ordered to be printed in the Record, as follows:

Question. I have long been concerned with the utilization of our Public Law 480 funds abroad. On July 14, 1965, I wrote Assistant Secretary of State MacArthur inquiring as to the possible use of these funds to purchase real estate in the countries where they are on deposit with the idea that such an investment would appreciate and that at some future date land could be sold or utilized in order to provide adequate housing and office space for American employees. On July 30, 1965, Mr. MacArthur replied and noted that the Department's acquisition, construction, and improvement of properties is based entirely upon funds appropriated under section 104(1) of Public Law 480 which provides unlimited authorization for appropriations which the Department of State annually seeks from the Congress. He noted that the following countries currently have currencies on deposit which in the judgment of the Treasury Department are excess to normal requirements: Burma, Ceylon, Guinea, India, Israel, Pakistan, Poland, Tunisia, United Arab Republic, and Yugoslavia. Mr. MacArthur then notes: "While the Congress does not attempt to preclude the Department from acquiring properties having a potentially higher resale value, it expects and requires the Department to justify requests for funds for facilities on the basis of current program needs. To this extent, therefore, the Department

would refrain from acquiring real estate which it does not need but which, because of an expanding market, it could sell or exchange for more suitable property at a later date."

I wonder, in view of the large deposits of soft currencies which we have abroad, if you do not think that the Department of State and the U.S. Government, including the Congress, should have a more imaginative policy as to how these funds might be used in a land and building acquisition program? I would like your comments of this.

Answer. The Department is considering an expanded use of foreign currencies in countries where U.S. currency holdings are in excess of the Government's need.

The Department has canvassed U.S. missions and the headquarters of appropriate agencies of the Government for additional worthwhile programs, including overseas sites and buildings, that could be funded entirely or largely with these funds. The results are currently under review by the executive branch for fiscal year 1967. If this materializes, the building program in those excess-currency countries will be greatly accelerated to the extent that the U.S. Government's real property requirements will be satisfied in the next several years.

It should be noted that, particularly in India, rising land values reflect the growing shortage of desirable unimproved real estate and it is to be expected that efforts on the part of the U.S. Government to purchase acreage that could not realistically be related to future requirements of an official nature undoubtedly would be opposed by the local government. Some other governments may likewise oppose such action.

Question. I noted that we have excess currencies on deposit in Yugoslavia. On June 11, 1965, my legislative assistant, who had learned from a traveling American in Yugoslavia that there would be possible devaluation of the dinar, called Frederick L. Deming, the Under Secretary of the Treasury for Monetary Affairs, and urged that Public Law 480 funds be put to use on schools and equipment for schools before their value was greatly reduced as a result of devaluation. In a reply of June 16, Mr. Deming noted that, at the then current rate of exchange (750 dinars equals \$1), the U.S. Government had on deposit \$61 million. Mr. Deming noted that "utilization of these balances is restricted under the foreign exchange control law of Yugoslavia and is limited to specified purposes as set forth in agreements between the United States and Yugoslavia." He then goes on to say that dinars are being used to pay all U.S. Government official expenses, including payments to U.S. Government contractors there. This amounts to \$3 million annually.

On July 26, 1965, Yugoslavia announced various currency-stability measures. One of the major changes was the devaluation of the dinar. From 1961 until the change in late July, as I have noted previously, the U.S. dollar-Yugoslav dinar exchange rate was \$1 to 750 dinars. It is now \$1 to 1,250 dinars. On January 1, 1966, present dinars will be exchanged for new ones at the rate of 100 to 1.

This action has obviously affected the value of our Public Law 480 funds which are on deposit. When sufficient warning was given, cannot our Government make some plans to utilize these funds at their highest value or convert them into land and buildings which would withstand devaluation? I would also like your comments and a summary for the hearing record of the various foreign exchange regulations which are imposed on our soft currency deposits abroad.

Question A. When sufficient warning was given, cannot our Government make some plans to utilize these funds at their highest value or convert them into land and buildings which would withstand devaluation?

Answer. The executive branch has long been concerned over losses in the purchasing power and value of U.S.-held foreign currencies through devaluations, and has, where feasible, moved to minimize losses of this nature. However, it must be remembered that the use of U.S.-use foreign currencies is subject to the appropriation of dollars with which Treasury is reimbursed for currency used. Even in emergency situations where prompt action is necessary to prevent loss through devaluation, executive branch agencies may not exceed their appropriations, in which there are no provisions for such emergencies. Regular appropriation requests generally include only relatively high-priority projects, the funds for which could not normally be reprogrammed in any magnitude within the fiscal year for the relatively lower priority projects mentioned. This is the more true when the situation arises late in the fiscal year after appropriations are largely committed, as in this case.

Efforts have continued over a period of years to find additional uses for these excess currencies. Dinars are being used for local operating expenses of the U.S. Embassy and missions; for allowances and partial salary payments to American employees; for travel, subsistence, and transportation within the country, for international air travel; and after months of effort, for payments to U.S. annuitants resident in Yugoslavia. The latter use has greatly increased the normal annual requirements of the United States for dinars, reducing the number of years supply from 26.5 at the fiscal year 1964 expenditure rate to 9. Every effort is being made to increase the use of dinars and other excess currencies, and to avoid or minimize losses by devaluation.

Question B. I would also like your comments and a summary for the hearing record of the various foreign exchange regulations which are imposed on our soft-currency deposits abroad.

Answer. Foreign exchange regulations imposed on the use of local currencies on deposit vary in intensity and method depending on the general provisions governing foreign trade and exchange transactions established by the different foreign governments and on procedures set forth in bilateral agreements. Latest surveys of the exchange systems and applicability of exchange control of all member countries of the International Monetary Fund are published in the 16th Annual Report on Exchange Restrictions, 1965, issued by the fund, which we are making available to the committee.

Question. With regard to the use of Public Law 480 funds in reducing our balance-of-payments difficulties, I wonder what progress has been made, country by country, in urging American tourists to exchange dollars for local currencies at our Embassy. Do or could not the airlines, steamship companies, our immigration and customs officials cooperate in notifying all American travelers abroad (perhaps a slip of paper sent out with their passport from the Department of State) that local currencies could be secured at our Embassy?

Answer. Notices calling the attention of American tourists to the availability of U.S. Government-owned foreign currencies for sale to them are enclosed in the passports issued to tourists indicating an intention of visiting countries where these currencies are available. Examples of notices for U.S. travelers to India, Israel, and the United Arab Republic are shown below:

"ATTENTION U.S. VISITORS TO: INDIA

"Here is how you can aid the U.S. balance of payments.

"When you arrive in India, you may buy your local currency (rupees) requirements from the American Embassy in New Delhi, or from the American Consulates General in

September 23, 1965

Bombay, Calcutta, and Madras. You are assured the official rate of exchange.

"The Indian rupees available for purchase at the American Embassy and the American Consulates General are owned by the U.S. Government and are available for expenditure only in India. When you buy your rupees from the U.S. Diplomatic or Consular posts, as arranged by agreement with India, in effect your dollars stay home and you help the U.S. balance of payments.

"Payment may be made by cash, personal check, or traveler's check.

"Addresses

"Embassy: Shantl Path, Chanakyapuri, (Diplomatic Enclave) New Delhi.

"Consulates: 78 B. Desai Road, Bombay; 5/1 Harrington Street, Calcutta; 150 B Mount Road, Madras.

"Selling hours (Monday to Friday): 10 a.m. to 12:30 p.m., 2:30 p.m. to 4 p.m."

At present currencies are for sale in Israel, United Arab Republic, and India under Public Law 480, section 104(s). Sales for business purposes are made in Israel and India under 104(t). To extend the potential effectiveness of the program of sales of U.S.-owned foreign currencies in those countries where agreements to do so exist, the Secretary of the Treasury is revising the present criteria for determining which currencies are available for sale to U.S. citizens under section 104(s) or (t) of Public Law 480 so that additional amounts will become available. Sections 104(s) and 104(t) have been included in all title I, Public Law 480 agreements since section 104(t) was added to the Public Law 480 legislation last October and are being included in all new title I agreements.

"ATTENTION U.S. VISITORS TO: ISRAEL-- EGYPT

"Here is how you can aid the U.S. balance of payments.

"When you enter either of these two countries, visit the American Embassy and buy your local currency requirements there. You are assured the official rate of exchange and that your dollars used to buy local currency from the Embassy will not become a claim against the U.S. gold supply.

"These two currencies, available for purchase at the respective American Embassies, are owned by the U.S. Government, acquired under conditions preventing the United States from spending them outside the country of origin. Under special arrangements with the local governments the American Embassy is authorized to sell these currencies to U.S. tourists.

"Payment may be made by cash, personal check, or traveler's check.

"American Embassy address

"Israel

"71 Hayarkon Street, Tel Aviv (9 a.m. to 1 p.m., selling hours).

"Egypt

"5 Sharia Latin American, Garden City, Cairo (9 a.m. to 12 noon, selling hours)." Question. Turning to Vietnam, as Mr. Bell

will recall we discussed our AID program there in my office on April 5, 1965. In response to various questions which I raised, he furnished me with material concerning the AID program as it relates to the Vietnamese peasantry on April 8. I have carefully gone over that material. While it seems we are giving the Vietnamese peasant free agricultural instruction, free seed, free fertilizer, and free tools we do not seem to be giving him a fundamental stake in his country; namely, free land or the opportunity over time to purchase at a reasonable cost such land. I would like for the record just how many acres have been turned over to the peasantry as a result of American efforts. I think nothing is so important to our winning the war there as giving the peasant an economic stake in his country as well as a

political stake by training him in community participation at the local level.

Answer. Land reform and the distribution of land under permanent or provisional title is, of course, the function of the Government of Vietnam. U.S. assistance and advice has been instrumental in helping the Government to carry out its land programs, and our recommendations have been adopted in many cases.

Under the provisions of the original land reform legislation enacted by the Diem administration, 264,000 hectares (652,000 acres) of ordinance 57 land (i.e., expropriations of Vietnamese-owned landholdings of over 100 hectares (247 acres)) have been distributed to 115,000 new owners. This distribution was accomplished by provisional land certificates with payments at reasonable rates over a 12-year period.

Another category of rice land, formerly owned by French landlords, has been largely undistributed because of insecurity and surveying problems. However, the new land-reform program approved by the Government on August 9 provides for the eventual distribution of 225,000 hectares (555,750 acres) of land in this category with payments over 12 years, and with assistance in water control and irrigation devices. The GVN plans to begin immediate distribution of 23,000 hectares (56,800 acres).

The new program also provides for full and clear title to ordinance 57 land previously distributed with a Government lien held until payments have been completed.

Question. One last question pertaining to Vietnam: In order to improve our relations with the people there, could we not get some of our Second World War hospital ships out of mothballs and staff them with Public Health Service or military or private volunteer doctors and nurses and run them up and down the coast where they could serve the millions of people who live in the 5- to 10-mile coastal strip?

Answer. The USOM health program is in the process of expansion, especially due to higher numbers of civilian casualties and refugees as a result of increased military operations during the summer months. For example, 20 U.S. volunteer doctors, on a 60-day rotation basis, will greatly augment our capabilities of caring for the Vietnamese civilian population; and an increasing number of free world nations are considering supplying medical personnel to especially assist the refugees located along the coast of the central part of the country. The idea of equipping a hospital ship which would make runs along the coast will be considered among other measures which soon will be taken to increase our medical assistance to Vietnam.

Mr. DIRKSEN. Mr. President, I yield, under the bill, 1 minute to the distinguished senior Senator from New York.

The PRESIDING OFFICER. The senior Senator from New York is recognized for 1 minute.

Mr. JAVITS. Mr. President, I call the attention of the Senate to the fact that an enormous refugee problem in South Vietnam is not dealt with in the bill. It has been estimated that there will be approximately one million refugees in South Vietnam within the next few months. There are now about half that many.

The junior Senator from Massachusetts (Mr. KENNEDY) has been conducting a series of hearings in the Refugee Subcommittee of the Committee on the Judiciary, of which I am a member, which hearings demonstrate the serious character of the problem.

There are funds now available in an indirect way through the sizable commercial import program and the counter-insurgency program for Vietnam. However, they are quite inadequate. In addition, the President's contingency fund could have been made available, but it is my understanding that this fund is fully committed.

I make this statement for the purpose of suggesting to the manager of the bill that it should be a matter of record that this is a problem which the Senate will have to meet. This problem will have to be met through supplemental appropriations. We should take cognizance of the fact that this problem is not being met in this particular appropriation bill.

LEGISLATIVE PROGRAM—ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. DIRKSEN. Mr. President, I yield myself 1 minute under the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the remainder of the day, for tomorrow, and, if possible, for early next week.

Mr. MANSFIELD. Mr. President, first I ask unanimous consent that, when the Senate completes its business this afternoon, or this evening, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. TYNINGS in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Michigan (Mr. McNAMARA), the chairman of the Committee on Public Works, it is anticipated that at the conclusion of the prayer tomorrow the Senate will take up the conference report on the antipoverty measure (H.R. 8283).

It is hoped that we shall complete the consideration of that conference report sometime during the day. I believe it is anticipated that there will be a rollcall vote on the conference report. When the rollcall vote is disposed of and the unobjected-to items on the calendar have been disposed of, it is then anticipated that the Senate will go over until the following Tuesday.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. GRUENING. Mr. President, I send to the desk an amendment to H.R. 10871 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. An amendment is proposed by the Senator from Alaska [Mr. GRUENING], as follows:

On page 12, between lines 18 and 19, insert the following new section:

"Sec. 117. None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to Indonesia.

Mr. GRUENING. Mr. President, this seems to be where we have come in again and again.

In the consideration of the foreign aid authorization bill, an amendment introduced by the distinguished junior Senator from Oklahoma [Mr. HARRIS] was agreed to in this body by a vote of 72 to 13. We had been given assurances that in view of the disgraceful performance of the dictator of Indonesia, we would not have to bring up this question again.

Sukarno has denounced us. He has vilified the United States. He has gotten into bed with the Communists. He has burned our libraries. He has confiscated and expropriated the property of American citizens. He has allowed mobs to attack our Embassy. He has told us to go to hell with our aid. He is making war on the friendly nation of Malaysia. We have given this man close to a billion dollars.

Yet we have the surprising news that we are now negotiating—if, indeed, we have not already done so—to give him atoms for peace for the next 5 years. How utterly ridiculous in view of his past performance and when he wants to make an atomic bomb.

This amendment would merely withhold all financial aid from him for the next year.

I hope that the amendment will be agreed to.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. CHURCH. I have a great deal of sympathy for the position of the Senator. I share his concern about Mr. Sukarno's relentless slide toward communism in Indonesia. However, the difficulty that I encounter with an amendment of this kind relates to how we can know whether Sukarno will remain as the head of the Indonesian Government. What if a revolt in the palace guard were to overthrow him tomorrow? What if, a month from now, he were to pass on to his reward and some new regime were to take control of Indonesian affairs? If we were to write into the bill, and into the law itself, a prohibition against the extension of any aid to Indonesia, then we will have blocked the President at the very time when we would no longer want to prohibit the extension of possible assistance to Indonesia. The delay, the difficulty in then striking the provision from the law might well paralyze American policy for an extended period of time.

Mr. GRUENING. Mr. President, would the Senator, therefore, find the amendment acceptable if it were worded to provide that it be effective for so long as lawless Sukarno remains in power?

Mr. CHURCH. Even then, much as I feel that Sukarno's views toward this country will not change, I always hope that he will see the light, that he will un-

derstand the peril involved in alining his country with Communist China, and that he might change his attitude and policies. If that were to happen, we would then have this prohibition riveted into the law. That is the reason why I cannot support the amendment.

Mr. GRUENING. Mr. President, my friend from Idaho exhibits the optimism worthy of Voltaire's Dr. Pangloss and Pollyanna.

Mr. PASTORE. Mr. President, there is not a penny involved in the pending bill for aid to Indonesia.

Mr. GRUENING. Then what is the objection to the amendment?

Mr. PASTORE. The objection is to stop the giving of money that is not being given anyway.

Mr. GRUENING. Mr. President, there is no assurance that a way may not be found. I believe that we can give a great feeling of security and comfort to the United States if, by agreeing to my amendment, we give the definite assurance that the folly of giving aid to Sukarno has ceased for at least 1 year.

I yield to the senior Senator from Louisiana.

Mr. ELLENDER. Although funds are not specifically earmarked for Indonesia the President could make some funds available out of the contingency fund.

Mr. GRUENING. From the emergency fund.

Mr. CLARK. Will the Senator yield?

Mr. GRUENING. I yield to the Senator from Pennsylvania.

Mr. CLARK. My views are identical with those of the Senator from Idaho. I do not like Sukarno any better than he does. I would like to see the President free to utilize this money where he thinks the national security is involved. For several years, we have had amendments that indicated that we do not like Sukarno. However, I should like to see the amendment of the Senator from Alaska modified, as it has been in previous years.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. PASTORE. We voted on this question once before by an overwhelming vote. If the Senator from Alaska will modify his amendment to read "unless the President, in the national security, feels it is advisable," I shall take it to conference, as I think was suggested by the Senator from Oklahoma [Mr. HARRIS]. If it is corrected in that fashion, although I have not consulted with other members of the committee, I can say I have no personal objection to it. It can be put to a voice vote.

Mr. GRUENING. How would the President like the amendment changed?

Mr. PASTORE. I did not ask the President. I am only suggesting.

Mr. GRUENING. How would the manager of the bill—

Mr. PASTORE. I am a bigger man than I thought. Now I speak for the President. I am completely overwhelmed.

Mr. GRUENING. Mr. President, will the Senator yield for a moment?

Mr. PASTORE. I yield.

Mr. GRUENING. May I ask the distinguished manager of the bill how he would like to have the amendment modified?

Mr. PASTORE. Exactly as we adopted it in the authorization bill. Perhaps we can duplicate that language. It was suggested by the Senator from Oklahoma.

Mr. GRUENING. While I have no faith in such permissive language based on repeated past experience, I shall accept the amendment, because I think it is a step forward.

Mr. PASTORE. I yield time on the bill to the Senator from Oklahoma.

Mr. HARRIS. Will the Senator from Alaska yield to me for a moment?

The PRESIDING OFFICER. Will the Senator send his modified language to the desk, please?

Mr. HARRIS. I was about to suggest that the Senator might wish to lay his amendment aside briefly, until we can prepare an amendment.

Mr. GRUENING. If that is agreeable to the manager of the bill, very well.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question? Is it the intent to modify the language so that aid will be given only when the President determines that it is in the interest of our national security?

Mr. PASTORE. The Senator is correct.

Mr. GRUENING. Mr. President, I send to the desk another amendment, and ask that it be stated.

The PRESIDING OFFICER. Does the Senator withdraw his previous amendment?

Mr. GRUENING. Yes, I withdraw the amendment in favor of the amended amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 12, between lines 18 and 19, insert the following new section:

"Sec. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic."

Mr. GRUENING. Mr. President, this is a similar amendment, but, instead of singling out Indonesia, which is under Sukarno's rule, it sets out the United Arab Republic, under Mr. Abdel Gamal Nasser.

I take it the same compromise would be acceptable to the manager of the bill. We are engaging in a rather foolish performance, because for years we have had an amendment denying aid to aggressors, but it has not been denied in this particular case. We make it specific as to the United Arab Republic. If the manager of the bill, the distinguished senior Senator from Rhode Island, will accept the amendment with the same modification, "provided the President considers it in the national interest," I shall be glad to accept that language.

Mr. PASTORE. Will the Senator yield?

Mr. GRUENING. I yield.

Mr. PASTORE. On the authorization bill, in conference, when the matter of

wheat was discussed language was adopted to read:

No sale under title I of this Act shall be made to the United Arab Republic unless the President determines such sale is essential to the national interest of the United States.

Now, rather than use the word "sell," it could be made to read "No aid shall be given under the provisions of this law." If we can use such language, I am perfectly willing not to resist it.

Mr. GRUENING. I send to the desk another amendment, and ask that it be read.

Mr. PASTORE. Are we going to dispose of this amendment first?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska [Mr. GRUENING], as modified. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, between lines 18 and 19, it is proposed to insert the following new section:

SEC. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic, unless the President determines that such availability is essential to the national interest of the United States.

The PRESIDING OFFICER. All time having been yielded back the question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. HARRIS. If the Senator from Alaska will yield to me about 15 seconds, I ask unanimous consent that I be shown as cosponsor on the amendments of the Senator from Alaska having to do with Indonesia and the United Arab Republic, as modified.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

Mr. GRUENING. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 12, between lines 18 and 19, insert the following new section:

"SEC. 117. None of the funds appropriated and made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan."

Mr. GRUENING. Mr. President, this subject has been discussed before, but it had not come up formally on the floor before this particular amendment was offered. I feel very definitely that we are at a crossroads. For many years we have poured billions of dollars in military aid into two neighboring countries that were born out of the division of what was once India.

Two years ago I pointed out on the floor of the Senate that Pakistan was a member of the Southeast Asia Treaty Organization and was obliged under it to assist us in southeast Asia.

At that time I received a communication from the Ambassador of Pakistan

to the United States, in which he said, in effect, "We do not intend to use this money to fight communism. We are going to use it to fight India."

I spoke about it on the floor of the Senate 2 years ago, and a year last year. Now it has happened. The intent was always there, and we did nothing about it. Now it has happened. We have witnessed a bloody war, which has been stopped only because we have withdrawn our military aid to those two countries.

While this was going on, while we have been pouring this economic aid in billions of dollars into this country and also a large sum of money in military aid, Pakistan has moved closer and closer to Communist China.

It is important that we cease this folly, or at least say that the Senate is opposed to the folly of continuing to subsidize countries for purposes which they do not follow and, instead, use our money to make war on each other, putting upon us the obligation—which we will undoubtedly have to assume, unless we do something—of repairing the damage that we have done with our weapons.

Mr. President, I have stated my case. I shall not ask for the yeas and nays on the pending amendment.

We have already heard the able arguments in opposition made by the Senator in charge of the bill, although I would point out that his arguments were used in opposition to the amendment which made a blanket cut of 25 percent in all military assistance. In this particular case, my amendment would withdraw military aid to those two countries which have ceased fighting each other. In my judgment, they have ceased fighting each other because we have withdrawn our military aid. If we wish to keep them from fighting each other, the best thing is for the Senate to go on record, this year anyhow, that there will be no more military aid. If India and Pakistan wish to fight each other, they can use broomsticks, and that will be a vast improvement.

Mr. CLARK. Mr. President, I have just read the Senator's amendment, and my understanding is that the cuts apply to economic aid as well as military aid.

Mr. GRUENING. Military aid only. Let me make sure.

Mr. COOPER. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. My amendment states:

None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan.

Mr. CLARK. Mr. President, the amendment at the desk has the words "military aid" scratched out.

Mr. GRUENING. I am sorry, Mr. President. I ask unanimous consent that those two words "military aid" be restored to my amendment so as to read:

None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan.

Mr. President, that is the amendment I am offering.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

Mr. GRUENING. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was rejected.

Mr. HARRIS. Mr. President, I should like to advise the Senator from Alaska that I have been informed by the Parliamentarian that no action was taken on the Indonesia amendment. Action was taken only on the United Arab Republic amendment, as modified. I am advised that the Senator from Alaska will have to offer his Indonesia amendment again.

Mr. GRUENING. Mr. President, I reoffer my modified amendment at this time.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, between lines 18 and 19, insert the following new section:

SEC. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to Indonesia, unless the President determines that such availability is essential to the national interest of the United States.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Alaska, as modified.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield time on the bill to the Senator from Florida.

The PRESIDING OFFICER. How much time?

Mr. PASTORE. As much time as the Senator needs.

Mr. HOLLAND. I thank the Senator from Rhode Island. I should like to address some questions to him, to clarify a point in the Record which I believe should be clarified. I wish to ask the Senator in charge of the bill a few questions relative to the paragraph at the top of page 15 of the printed bill, which deals with assistance to refugees in the United States.

Mr. PASTORE. I would most respectfully suggest to the Senator from Florida that, rather than ask me questions, he explain exactly what the committee did, because he was responsible for what it did; and I would appreciate it very much if he would make the explanation.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. President, I wish the Record to show clearly that the reduction from \$32,265,000 to \$30 million, in the first paragraph on page 15 of the bill, did not relate to education at any level in the Miami area, as far as education of the children of refugees is concerned, or the education of adults, or any other factor relating to education.

Mr. President, I ask unanimous consent to have printed in the Record the first paragraph on page 15 of the bill.

There being no objection, the paragraph was ordered to be printed in the Record, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND
WELFARE

Assistance to refugees in the United States

For expenses necessary to carry out the provisions of the Migration and Refugee Assistance Act of 1962 (Public Law 87-510), relating to aid to refugees within the United States, including hire of passenger motor vehicles, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), [\$32,265,000] \$30,000,000.

Mr. HOLLAND. Mr. President, in order to make the explanation clear, I ask unanimous consent to have printed in

the RECORD, the last three columns in the tabulation on page 202 of the hearings, which shows the 1966 original presidential budget and current estimates which had been reduced in certain amounts, and the increases or decreases of the estimates as comparing the original budget and the current budget, the original budget having been granted by the House before the current budget came down.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WELFARE ADMINISTRATION ASSISTANCE TO REFUGEES IN THE UNITED STATES

Summary—Budget request

| | 1966 | | Increase or decrease—1966 current estimate compared with President's budget and House allowance |
|---------------------------------------------------------------|----------------------------------------|------------------|-------------------------------------------------------------------------------------------------|
| | President's budget and House allowance | Current estimate | |
| I. Direction and coordination of program..... | \$883,000 | \$883,000 | |
| II. Welfare assistance and services: | | | |
| Financial assistance to needy refugees in the Miami area..... | 8,272,000 | 7,585,000 | —\$687,000 |
| Transitional resettlement allowances..... | 200,000 | 118,000 | —84,000 |
| Assistance to resettled refugees who become needy..... | 5,101,000 | 4,200,000 | —901,000 |
| Unaccompanied children..... | 3,800,000 | 3,800,000 | |
| Distribution of surplus commodities..... | 60,000 | 54,000 | —6,000 |
| Hospitalization..... | 1,038,000 | 850,000 | —188,000 |
| State administration..... | 1,146,000 | 1,146,000 | |
| Total, welfare assistance and services..... | 19,617,000 | 17,751,000 | —1,866,000 |
| III. Refugee resettlement..... | 1,680,000 | 1,350,000 | —340,000 |
| IV. Education: | | | |
| Assistance to Dade County public schools..... | 4,156,000 | 4,156,000 | |
| Vocational training..... | 1,385,000 | 1,326,000 | —59,000 |
| Assistance to college students..... | 3,200,000 | 3,200,000 | |
| Professional training..... | 400,000 | 400,000 | |
| Total, education..... | 9,141,000 | 9,082,000 | —59,000 |
| V. Health services: | | | |
| Refugee health clinic..... | 588,000 | 588,000 | |
| Outpatient services..... | 120,000 | 120,000 | |
| Maternal and child health and school health services..... | 100,000 | 100,000 | |
| Hospitalization for long-term illness..... | 126,000 | 126,000 | |
| Total, health services..... | 934,000 | 934,000 | |
| Total obligations..... | 32,265,000 | 30,000,000 | —2,265,000 |

Mr. HOLLAND. Mr. President, it is clear, from looking at those figures, that the total reduction of \$2,265,000 related to other items in caring for refugees and their families, resulting in the main from a speeding up of the resettlement of the refugee families, and did not relate at all to the educational group of appropriations which were as follows:

For assistance to Dade County public schools, \$4,156,000; for vocational training, \$1,385,000—there was a reduction there to \$1,326,000 due to the fact that some adults had been resettled; an appropriation for assistance to college students—the number of college students was the same, and that appropriation remained at \$3,200,000; and the professional training allowance of \$400,000 remained the same.

I make this clarification for the RECORD, understandably, because some persons in the public schools of Dade County have been reimbursed in part for the education of Cuban refugee children there, and have been anxious to be sure that the reductions in this field of the appropriation did not apply to education because they have worked out a very careful and full arrangement with the appropriate officials in the Department of Health,

Education, and Welfare in Washington, D.C., as to the allowance for those educational purposes. There was no reduction as to those educational appropriations, except in the one field of vocational training, and only because of the resettlement of certain adults.

I thank the distinguished Senator from Rhode Island for yielding to me, because I believe that this matter should be clarified for the RECORD.

Mr. ELLENDER. Mr. President—

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I call up my amendment which deals with cuts in the military and ask that it be stated.

The PRESIDING OFFICER. Which page and which line is the Senator referring to?

Mr. ELLENDER. Page 4, line 25.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 4, line 25, it is proposed to strike out "\$1,170,000,000", and insert in lieu thereof "\$1,070,000,000."

Mr. ELLENDER. Mr. President, I regret that because I was engaged on the Senate floor discussing the farm bill, I

was unable to participate in the hearings held by the Senate Appropriations Committee with the Senator from Rhode Island presiding. I am confident that if I had been able to participate in those hearings, I could have made a good case which would have led to further cuts in the pending measure.

It will be recalled that the committee reduced the bill below the amount allowed by the House by \$94,265,000. The distinguished Senator from Massachusetts submitted an amendment earlier, which was voted favorably, which cut from the bill an additional \$50 million.

Mr. President, pursuant to the unanimous-consent agreement which I obtained a while ago, as I understand the situation, I have offered three amendments and am entitled to thirty minutes on each one. I have consolidated that time so that I can now make a presentation covering all amendments, with the time that I shall use to be taken from each of the three amendments, and the remainder of the time to be used by me to speak specifically on the amendment before the Senate for a vote.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the allotted time may be handled by the Senator from Louisiana in the manner in which he has described.

The PRESIDING OFFICER. That has already been agreed to.

Mr. ELLENDER. Mr. President, quite a number of suggestions have been made today for cutting back on the military program. One of the amendments failed by only two votes.

What I propose to do is cut back military aid by \$100 million, which is equal to the amount of the increase proposed in the 1966 budget for countries not presently engaged in conflict, such as Taiwan and Ethiopia.

Unfortunately, under the rules of the Senate, all of this data I hold in my hand is secret. I cannot let the American taxpayer know where his money will be used because there is a rule which prevails that, on all foreign aid appropriations made for fiscal year 1966, even the Senator in charge of the bill cannot give to the public the amounts that are being appropriated for various countries.

In any event, I hasten to point out that my amendment does not cut a penny from South Vietnam. It affects only those countries where no strife or crisis exists.

A considerable amount of the increased military aid is going to Taiwan. Why this is so, I just cannot understand. There is no country that we have helped more up to now that has made a greater recovery than has Taiwan, but here we are adding—I cannot give the amount—quite an amount, to modernize its army. For what purpose? Every Senator ought to know that even if we furnished Taiwan the most modern equipment we produce, Taiwan still could not succeed in attacking the Chinese mainland.

So far as I know, it has been our hope that no effort would be made by Free China to attack the mainland, because

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anybody with commonsense knows, or should know, that this little island, which one can almost jump across, could certainly not conquer or take over the mainland of China.

For many years now—and the record will show it—I have been trying, by every means at my disposal, not only to reduce this military assistance, but to cut it out altogether except as it may be necessary for internal security.

I have made a considerable effort in the past to reduce the military assistance program because I firmly felt that it has done our country more harm than good. While it may have served a useful purpose in the early fifties, it has long since ceased to serve any salutary end.

In the year 1956, I offered amendments on the floor of the Senate to the mutual security bill to reduce the military assistance program, but unfortunately my efforts were not productive of any reductions.

In 1957, I tried to reduce military assistance at the markup of the mutual security bill by Senate Appropriations Committee, and once again my amendments were voted down.

Once again, my attempt to bring some sanity to the military aid program was thwarted in 1958, but in 1959 I finally met with some success to taper off the military aid program. I tried to cut the program by \$500 million and was defeated. But on my next effort to reduce the program \$300 million, from \$1.6 billion to \$1.3 billion I was successful.

When I returned from Africa in December of 1962, I feared that the military assistance program we carried on there was going to be considerably expanded. To prevent this eventually from coming to pass, I authored language, which is now section 512 of the Foreign Assistance Act of 1961, as amended, limiting the granting of assistance to the African countries. Specifically, section 512 provided that military aid to all African countries shall not exceed \$25 million, and it shall be furnished only to meet internal security and civic action requirements.

Strange as it may seem, the additional \$110 million in military equipment that the committee has proposed in this bill includes increases for Pakistan—I cannot give the amount—and also for Turkey. The amounts are in excess of what these countries received in fiscal year 1965.

I hope and pray that the Senate will not vote to give more and more equipment to the countries of this world, particularly where those countries are not in danger now, and where they are not engaged in any conflict.

This amendment would not affect any country which is now involved in any conflict, such as South Vietnam.

It would seem to me that the Congress would do well to say to our Administrator of this program, "Let us leave well enough alone. We are providing so much for these countries now, let us not increase it."

When we give military equipment to countries, particularly to countries such as those to the south of us, we can be sure that some day we shall come to rue

the time when we made available military equipment to those countries, in the same manner that we should now rue the day we gave military assistance to India and Pakistan, over and above what was necessary for their internal security.

Mr. President, as you will recall, in March of 1963, a report was made by the Committee To Strengthen the Security of the Free World, more commonly known as the Clay Committee. The Clay Committee made a number of recommendations to President Kennedy. I thought those recommendations would have a salutary effect if implemented. I am sure they would have made the foreign assistance program a more formidable tool in achieving the objectives of our foreign policy.

The Clay Committee made no attempt to translate its recommendations into a precise amount of dollars that should be cut from the foreign aid program. But the tenor of its report made it clear that the foreign aid program recommended at the time of the Committee's report for fiscal year 1964 was highly inflated. The Committee also indicated in its report that it would be difficult for the administration to implement its recommendations.

In this connection, on page 20 of its report, the Committee said:

The committee recognizes that its recommendations to decrease or abolish aid in an [sic] number of countries and otherwise tighten standards will be difficult to implement and provoke charges that they are "politically impossible" in terms of good U.S. relations with countries concerned. The Committee recognizes as well that the political problems of pulling back from ongoing aid programs are much greater than those created by U.S. refusals to extend aid where none previously has been given. Nonetheless, we believe these actions must be undertaken and can be effected by diligent diplomatic effort over a 1- to 3-year period.

The Committee said that "these actions must be undertaken and can be effected by diligent diplomatic effort over a 1- to 3-year period." I regret to state to Senators and the people of the United States that this diligent diplomatic effort has not been accomplished; and the same foreign aid program that existed at the commencement of fiscal year 1964 still exists today and is being proposed for the fiscal year 1966.

Congress appropriated \$3 billion for foreign assistance in fiscal year 1964. That was the year the Clay report was made. This sum was divided into two parts, \$1 billion of which was for military assistance and \$2 billion for economic assistance. In the next fiscal year, the foreign aid program's dollar cost was increased instead of decreased, as the Clay report suggested. For fiscal year 1965, just 1 year after the Clay Committee had made its recommendations to President Kennedy, Congress increased the amount appropriated for foreign assistance to \$3,250 million, which was divided between military and economic assistance and amounted to \$1,055 million and \$2,195 million respectively. For the fiscal year of 1966 the President requested \$3,459,700,000, which was an increase of \$209 million over the amount

appropriated by Congress in fiscal year 1965. And this fiscal year 1966 budget has been called a barebones budget by the administration.

It seems that the time spent by the Clay committee in studying the foreign assistance program was a complete waste of time, money, and effort because it appears that its recommendations have been ignored by both the President and the Congress. To prove that is so, we need only look at certain phases of the program. Let us start with the military assistance program.

The Clay committee reported, in March of 1963:

The military assistance program should be reduced progressively as the economic capacities of recipient nations improve.

It went further to say:

We believe that in a few years, the basic need for such assistance can be served by an annual appropriation of \$1 billion.

Congress reached this goal of \$1 billion for military assistance in fiscal year 1964, but instead of following through with the recommendations of the Clay committee in the past 2 years, Congress has been retrogressing because, as I previously pointed out, in fiscal year 1965 we appropriated \$1,055 million for military assistance, and for fiscal year 1966 we are making available in the bill presently before the Senate \$1,170 million for a program that has brought nothing but grief to many countries.

I do not have to tell Senators what is happening in India and Pakistan today. The news media are doing a good job. Whose weapons are being used to destroy hundreds of lives, on both sides, in the unfortunate subcontinent of Asia? Mr. President, it is no secret. It is military weapons furnished through the U.S. military assistance program that is financing the death and destruction being wrought there today. The weapons bear the same label "Made in America."

No doubt that the weapons are the same ones that were sent, presumably, for internal security.

The even sadder facts of life about our military assistance program is that when evil is not effected directly through it, it manages to be perpetrated indirectly. For example, just recently we learned that the military arms we furnished Turkey are now being used by Pakistan to kill Indians.

I submit, Mr. President, that if the military assistance program is to be continued in the future, we should try to learn some lessons from the past. Let us not indiscriminately give potent arms to those who will not use them for the purpose intended. The military assistance that we furnish any nation is presumably to be used to oppose our common enemy, the Communists, and primarily for internal security. It was never intended that they be used against those allied with us.

Mr. President, I heartily concur with those who say that military assistance is necessary in South Vietnam. We have gone too far to retreat. There, we are meeting Communist aggression head on, and we should pull no punches in doing whatever is necessary.

I emphasize that my amendment would not take a copper cent from the appropriations provided in the bill for South Vietnam. I believe that some military assistance to South Korea is necessary. The Korean war was intended to be carried on by the United Nations, but our allied friends have left us holding the bag. As a result, we have assumed the entire cost of the war. Not only are we doing that. I wish I could give the figures for economic aid to that area. It amounts to many millions of dollars. We are carrying that load all alone. Those sums and the military assistance we have provided take care of the supplying of 19 divisions of local troops.

The assumption was that if, as, and when we provided South Korea with those divisions, some day we might be able to pull out. We have been there many years. In addition to supplying all the divisions with food, clothing, and military equipment, two American divisions are tied down in that area.

As I have said, the assistance to South Korea is supposed to be a United Nations action. The record shows that of all the boys who died on the battlefields, outside of Koreans, almost 96 percent were Americans. The record further shows that the cost of that war was borne, almost in toto, by none other than Uncle Sam.

In that area, as the record of last year shows, are two Brits, two Aussies, two New Zealanders, a few Greek troops, and a few Ethiopians, to give the action the color of being a United Nations action. But to add insult to injury, the United States is paying for the logistics of all the soldiers in South Korea, including our own, except the two Brits, two New Zealanders, and two Aussies.

Is it necessary to increase military assistance to nine countries in Latin America to the tune of approximately \$8 million in fiscal year 1966? That is exactly what we are doing in this bill. My amendment would strike out that increase.

Senators who vote for the bill recommended by the committee will be increasing military assistance to nine countries in Latin America to the tune of approximately \$8 million, because the increased Latin American program is included in the \$1,170 million budget estimate for military assistance.

During fiscal year 1965, the President transferred from the contingency fund, which was established solely for economic assistance purposes, \$55 million to a military assistance program that was already \$55 million more than the \$1 billion recommended by the Clay Committee. This amount was taken out of the contingency fund, a fund which was established to supplement, if necessary, economic aid. This transfer of funds was justified to the Congress as being necessary to maintain the security of the free world and as being in our own national interest.

Mr. President, for security reasons I am not able to disprove on the Senate floor that these transfers of funds were

unnecessary. However, I can say that during fiscal year 1965, 17 countries received military assistance from us; yet when the fiscal year 1966 program was presented to the Congress, not one of those countries was programed to receive any funds for military purposes.

The money that I now seek to cut from the bill is money that we have given to countries which were not even mentioned during the hearings. Some of those countries received funds for military purposes from the contingency fund.

In the Near East and in Africa, we furnished military assistance to Guinea, Indonesia, and Iraq. As I recall, 7 or 8 years ago we furnished about \$60 million worth of military equipment to Iraq.

What did Iraq do with that equipment? They fought our friends. Yet, today, knowing that they did that, we are again making military equipment available to them. I think it is shameful.

Lebanon is to receive military equipment, as will Saudi Arabia, Malaysia, Nepal, Nigeria, Sudan, Syria, and Tunisia.

In Europe we furnished a small sum, but imagine furnishing anything to the Netherlands. The Netherlands is a country that certainly is able to supply itself with such equipment as it needs.

We could not neglect some of the countries of Latin America because Mexico, Pan America, and Venezuela—countries which were not programed to receive \$1 of military assistance when the fiscal year of 1965 presentation was made to Congress—received some military assistance during the past fiscal year.

Was a transfer of contingency funds necessary to give military assistance to those countries? Of course the answer is no. That fund was supposed to have been used solely, wholly, and only for economic aid. Yet, this sacred fund was used to furnish military assistance to some of those countries. Some people worry because we get in trouble now and then, as we have in Pakistan and in other places. But trouble for us is inevitable if we continue to increase military aid to countries that are receiving more aid than is necessary to provide for their internal security.

Mr. President, I could continue talking about the blunders that are made in the interest of military security or the national interest through the use of the military assistance program. However, much of the military assistance program is classified secret, and there are other phases of the foreign aid program to which I wish to address myself, under the limited time I have available.

Mr. President, I have an amendment at the desk which I shall call up later. As I stated a while ago, I intended to discuss it now and reserve some of my time to discuss the amendment when more Senators were present. I notice that there are only two or three Senators present in the Chamber now.

In my opinion, the foreign aid program most prone to further reduction is the Development Loan Fund. I wish that my good friend the junior Senator from

Maryland, who is now presiding, would listen to this.

Prior to last year, when Congress insisted on an increase in interest rates, this fund was making so-called loans at terms which provided for three-fourths of 1 percent interest for 40 years, with a 10-year grace period. Of course, Mr. President, I grant that it is not necessarily wasteful to make these so-called loans to underdeveloped countries if the funds are being used to attain sound economic objectives in the particular country. However, I believe it is becoming increasingly difficult for the Agency for International Development to find the type of projects that will enhance the economies of the underdeveloped nations. Evidence of this can be found in the large amount of deobligations and decommitments of loans previously made and also in the huge unobligated balances that existed in the development loan account at the end of fiscal year 1965.

Let us see what has been happening in the development loan account insofar as decommitments and deobligations are concerned. Through December 31, 1964, a total of \$271,511,672.16 had been decommitted or deobligated out of the Development Loan Fund, both old and new, and out of the Alliance for Progress loans. During the first 3 months of calendar year 1965—that is, January through March 31, 1965—a total of \$56,471,089.57 had been decommitted and/or deobligated in these same accounts. Mr. President, all one has to do is project what deobligations and decommitments will be for the remaining 9 months of calendar year 1965 to obtain the possible annual rate of deobligations and decommitments. If this computation is made, it will be found that during the coming year approximately \$225 million of loans previously made will be decommitted or deobligated. This means, then, that over and above the \$744 million which the committee is recommending for development loans in the bill before the Senate, another quarter of a billion dollars will be made available to finance loan programs in the coming fiscal year because of deobligations and decommitments.

Mr. President, I have here some examples of these deobligations. I do not want to read them all or put them all in the Record. However, I cite a few examples.

In the Philippines, we authorized \$5,300,000 for a pulp and paper mill. That money has not been spent because the sponsors withdrew the application. Thus that money is now available for reobligation and may be used in place of new funds.

In the same country, there was a return of an obligation of \$9,850,000. The reason for the decommitment is that it represented an unused balance of a fiscal year 1955 project commitment for \$50 million, which was terminated in June of 1961.

Also in the Philippines, there was a program for an industrial explosion plant. Loaned out was \$2,100,000—\$1,769,432 of that amount was returned because the company that obtained the

grant was dissolved. It could not proceed further. That means that our country will probably lose the difference because this company is now dissolved.

Mr. President, there are countless ex-

amples, I could cite, but I do not have time.

I ask unanimous consent that a few samples which are indicative of the amounts that have been first obligated,

deobligated, and then decommitted be printed at this point in the RECORD.

There being no objection, the samples were ordered to be printed in the RECORD, as follows:

EXHIBIT A

AGENCY FOR INTERNATIONAL DEVELOPMENT

Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans

[As of Dec. 31, 1964]

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount deobligated and/or decommitted | | Remarks |
|----------------------|----------------------------------------------|-------------------|---------------------|-----------------|---------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | | Decommitted | Deobligated | |
| LATIN AMERICA | | | | | | | |
| Argentina: | | | | | | | |
| 510-A-003 | Economic development | \$24,750,000 | \$24,612,824.28 | \$24,612,824.28 | | \$137,171.62 | Project completed. |
| 510-A-004 | Road loan—Routes 18 and 126 | 6,000,000 | 607,149.38 | 607,149.38 | | 6,332,850.62 | Inadequate performance by the contractor. |
| Bolivia: | | | | | | | |
| 511-A-001 | Sugar mill | 2,500,000 | 2,408,149.17 | 2,408,149.17 | | 1,850.83 | Project completed. |
| 511-II-022 | Edible-oilseed mill and animal-feed plant | 2,000,000 | | | \$2,000,000 | | Canceled because of the question of the market, and the withdrawal of interest on the part of the management firm. |
| Brazil: | | | | | | | |
| 512-A-003 | Resettlement project | 240,000 | 210,266.36 | 210,266.36 | | 29,733.64 | Project completed. |
| DLF 52 | do | 300,000 | | | 300,000 | | Remarks will be furnished subsequently. |
| Chile: | | | | | | | |
| 513-A-005 | Airport design | 300,000 | 103,237.00 | 103,237.00 | | 196,763.00 | Originally 3 airports were to be designed. Borrower used DLF funds for 1 and its own funds for the other 2. |
| Colombia: | | | | | | | |
| | Housing, resettlement, and penetration roads | 5,000,000 | | | 5,000,000 | | Portion of a \$25,000,000 DLF allocation for establishment of a housing bank for which the COC did not enact legislation establishing the institution. |
| Costa Rica: | | | | | | | |
| DLF 211 | La Libertad Rd. | 125,000 | | | 125,000 | | Loan made contingent upon an IDB loan for colonization. The IDB loan was never consummated. |
| Guatemala: | | | | | | | |
| 515-A-002 | Resettlement project | 300,000 | 298,563.18 | 299,583.18 | | 116.82 | Project completed. |
| Kenaf bag factory | | 400,000 | 399,217.15 | 399,217.15 | | 782.85 | Do. |
| Haiti: | | | | | | | |
| 521-A-001 | Irrigation | 4,300,000 | 4,251,675.23 | 4,251,675.23 | | 48,324.77 | Do. |
| 521-A-002 | Highway engineering | 300,000 | 298,720.00 | 298,720.00 | | 1,280.00 | Do. |
| DLF 108 | Sugar mill | 3,000,000 | | | 3,000,000 | | Remarks will be furnished subsequently. |
| Nicaragua: | | | | | | | |
| 524-A-001 | Public utilities | 600,000 | 585,278.11 | 585,278.11 | | 14,721.89 | Project completed. |
| 524-L-007 | Rural electrification | 450,000 | 400,000.00 | | 50,000 | | Remarks will be furnished subsequently. |
| Paraguay: | | | | | | | |
| 526-A-004 | Road improvement | 2,500,000 | 2,499,936.65 | 2,499,936.65 | | 63.35 | Project completed. |
| 526-A-005 | Modernization of operations | 2,600,000 | 2,574,410.37 | 2,574,410.37 | | 26,589.63 | Do. |
| 526-A-008 | Road improvement | 7,760,000 | 7,100,000.00 | 6,353,922.03 | 650,000 | | Original project costs overestimated; revised before obligation. |
| Peru: | | | | | | | |
| DLF 119-A | Savings and loan association | 1,000,000 | | | 1,000,000 | | Association was not willing to assume maintenance of value. |
| (-) | Housing, resettlement, and penetration roads | 6,700,000 | | | 6,700,000 | | Portion of \$25,000,000 DLF allocation to be used in establishing a public institution to support private saving and loan associations; legislation never enacted. |
| 527-A-019 | Penetration roads | 1,800,000 | 1,347,812.26 | 1,330,833.48 | | 452,187.74 | Project overestimated; now completed. |
| Total, Latin America | | 72,915,000 | 47,848,563.24 | 46,685,476.49 | 18,325,000 | 6,341,436.76 | |
| FAR EAST | | | | | | | |
| China: | | | | | | | |
| 484-A-004 | Cement plant | 3,000,000 | 2,992,220.97 | 2,992,220.97 | | 7,779.03 | Project completed. |
| 484-A-006 | 1st railway loan | 3,200,000 | 3,026,024.34 | 3,026,024.34 | | 173,975.66 | Do. |
| 484-A-007 | Expansion of shipyard | 2,000,000 | 212,981.31 | 212,981.31 | 1,100,000 | 687,018.69 | Loan reduced to \$900,000 in 1961. Company sustained heavy losses in construction of 2 oil tankers. It became apparent that it could not repay the loan and disbursements were stopped and the residual deobligated. |
| 484-A-009 | Improvement of fishing | 685,000 | 683,374.65 | 683,374.65 | | 2,625.35 | Project completed. |
| 484-A-010 | Production of aluminum | 1,350,000 | 1,342,699.52 | 1,342,699.52 | | 7,440.48 | Do. |
| 484-A-012 | Small industry loan fund | 2,500,000 | 2,483,182.11 | 2,483,182.11 | | 16,817.89 | Do. |
| 484-A-014 | 2d railway loan | 5,900,000 | 5,896,413.99 | 5,896,413.99 | | 3,586.01 | Do. |
| 484-A-020 | Nanpu thermal power | 20,500,000 | 14,910,000.00 | 14,273,441.82 | | 5,590,000.00 | Procurement of equipment cost less than estimated due to competitive market. |
| 484-A-024 | Tachien Reservoir | 40,000,000 | 234,417.94 | 234,417.94 | | 39,765,582.06 | Original project changed for engineering reasons. Funds used for lower Tachien hydroplant and Linkou thermal plant under separate loans. |
| 484-A-039 | Shen Ao III thermal plant | 21,500,000 | 20,600,000.00 | 5,106,16.84 | | 900,000.00 | Cost less than estimated. |
| Indonesia: | | | | | | | |
| 497-A-006 | Railway rehabilitation | 3,000,000 | 2,694,636.51 | 2,691,36.51 | | 305,363.49 | Project completed. |
| 497-A-009 | Automotive parts plant | 2,600,000 | 2,469,486.80 | 2,469,486.80 | | 130,513.20 | Do. |
| Korea: | | | | | | | |
| DLF 95 | Building materials | 1,100,000 | | | | 1,100,000.00 | Borrower (TEC PAN) proposed project changes with which AID did not agree. |
| DLF 182 | Chemical plant | 3,300,000 | | | 3,300,000 | | Political difficulties of borrower (Puk Sam) precluded further AID involvement. |
| 480-A-001 | Cement plant | 2,140,000 | 2,139,599.93 | 2,139,599.93 | | 400.07 | Project completed, residual deobligated. |
| 480-A-002 | Telecommunications | 3,500,000 | 3,491,279.69 | 3,491,279.69 | | 8,720.31 | Do. |
| 480-A-003 | Chung fu hydroelectric | 1,500,000 | 1,114,631.44 | 1,114,631.44 | | 385,368.56 | Do. |
| 480-A-012 | Nylon plant | 3,200,000 | 3,138,000.00 | 3,130,64.66 | | 62,000.00 | Do. |
| 480-A-014 | Pusan thermal electric power | 20,000,000 | 20,310,881.00 | 18,964,19.92 | | 889,119.00 | Do. |
| 480-II-016 | Procurement of diesel locomotives | 8,300,000 | 6,388,391.10 | 6,388,391.01 | | 1,911,608.90 | Do. |

Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans—Con.

[As of Dec. 31, 1964]

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount deobligated and/or decommitted | | Remarks |
|--------------------------------|----------------------------------------------|--------------------------|---------------------|-----------------|---------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | | Decommitted | Deobligated | |
| FAR EAST—continued | | | | | | | |
| Philippines: DLF 101 (—) | Pulp and paper mill. (Project commitment) | \$5,300,000 9,850,000 | | | \$9,850,000 | \$5,300,000.00 | Sponsors withdrew application. Represents unused balance of a fiscal year 1969 project commitment for \$50,000,000 which was terminated in June 1961. Funds were not being utilized because other sources of funds became available. Project was reorganized. |
| 492-A-004 | Small industry loan funds | 5,000,000 | \$2,691,034.25 | \$2,582,116.90 | | 2,308,965.75 | |
| 492-A-005 | Roads and bridges rehabilitation. | 18,750,000 | 15,235,305.00 | 7,493,316.37 | | 3,514,695.00 | |
| 492-A-009 | Industrial explosive plant | 2,100,000 | 330,567.75 | 330,567.75 | | 1,769,432.25 | |
| Thailand: (—) | Thermal power | 3,000,000 | | | 3,000,000 | | Company (Orval Chemical) dissolved. Remarks will be furnished subsequently. |
| Vietnam: 430-A-004 | Vietnam Railway System | 9,700,000 | 7,800,000.00 | 7,154,059.54 | | 1,900,000.00 | Loan project completed. AID is continuing assistance to VNRS. Remarks will be furnished subsequently. |
| 430-A-005 | Saigon-Cholon Water District System. | 19,500,000 | 17,500,000.00 | 8,315,323.78 | 2,000,000 | | |
| Total, Far East | | 223,376,000 | 137,084,988.30 | 102,519,627.87 | 19,250,000 | 66,441,011.70 | |
| NEAR EAST AND SOUTH ASIA | | | | | | | |
| Afghanistan: DLF 146 | Aircraft acquisition | 700,000 | | | 700,000 | | Remarks will be furnished subsequently. |
| Ceylon: 383-A-002 | Irrigation and land development. | 1,600,000 | 1,475,942.29 | 1,475,942.29 | | 124,057.71 | |
| 383-A-003 | Highway development | 900,000 | 894,495.25 | 894,895.25 | | 5,504.75 | |
| 383-A-004 | Rehabilitation of highways | 750,000 | 726,000.00 | 726,000.00 | | 24,000.00 | |
| 383-A-007 | Airport construction | 3,200,000 | 165,080.00 | 165,080.00 | | 3,034,920.00 | Aid to Ceylon discontinued. |
| DLF 108 | Ceylon cement plant | 4,500,000 | | | 4,500,000 | | |
| Cyprus: 233-H-001 | Equipment to consultants | 2,275,000 | | | 2,275,000 | | The recent hostilities resulted in deobligation. |
| Greece: (—) | Athens-Thessalonica Highway. | 13,000,000 | | | 13,000,000 | | Project application withdrawn by Government of Greece. |
| India: 386-A-006 | Railway modernization | 40,000,000 | 29,990,755.78 | 29,990,755.78 | 10,000,000 | 9,244.22 | When loan of 40,000,000 was negotiated GOI anticipated this amount would suffice for steel procurement; however, due to price decreases the steel needed was covered by 30,000,000. |
| 386-A-007 | Roads, cement, and jute | 35,000,000 | 34,939,161.14 | 34,939,161.14 | | 60,838.86 | Project completed; deobligation represents unused balance. |
| 386-A-010 | Railway modernization | 35,000,000 | 34,991,053.12 | 34,991,053.12 | | 8,946.88 | Do. |
| 386-A-011 | Steel imports, public | 18,000,000 | 17,908,152.49 | 17,908,152.49 | | 91,847.51 | Do. |
| 386-A-012 | Steel imports, private | 22,000,000 | 21,924,345.96 | 21,924,345.96 | | 75,654.04 | Do. |
| 386-A-014 | Capital equipment, private | 15,000,000 | 14,866,060.41 | 14,866,060.41 | | 134,939.59 | Do. |
| 386-A-016 | Steel imports | 20,000,000 | 19,506,825.67 | 19,504,933.89 | | 493,074.43 | Do. |
| 386-A-019 | Thermal power | 3,900,000 | 3,779,624.07 | 3,770,553.00 | | 120,375.93 | Do. |
| 386-A-023 | Road transport | 13,100,000 | 13,072,990.08 | 13,072,990.08 | | 27,009.92 | Do. |
| 386-A-029 | Kanpur thermal power | 1,600,000 | 1,512,587.74 | 1,512,587.74 | | 87,412.26 | Do. |
| 386-A-046 | 2d Sharavathi hydroelectric | 21,500,000 | 18,400,000.00 | 5,273,715.18 | | 3,100,000.00 | Government of India decided to finance turbines with French credit. This was a private project and after loan was authorized the private investor had a disagreement and the project collapsed. |
| 386-H-076 | West coast papermill | 6,300,000 | | | 6,300,000 | | |
| Iran: 265-A-005 | Plan organization, economic development. | 47,500,000 | 45,912,478.24 | 45,912,478.24 | | 1,587,521.76 | Project completed. |
| DLF 181 | Bandar Abbas port | 12,000,000 | | | 12,000,000 | | Canceled at the request of the Government of Iran, which decided because of financial difficulties to postpone the project until the 3d plan. |
| Israel: 271-II-063 | Development program (1st) | 10,000,000 | 9,995,983.50 | 9,991,714.96 | | 4,016.50 | Project completed. |
| Jordan: 278-A-001 | Electric power project | 1,200,000 | 1,198,090.97 | 1,198,090.97 | | 1,909.03 | Project completed; deobligation represents unused balance. |
| 278-A-002 | Phosphate mine expansion | 2,500,000 | 1,269,026.36 | 1,269,026.36 | 1,000,000 | 230,973.64 | Government of Jordan elected to repay amount drawn down and refinance the project through other sources. Remarks will be furnished subsequently. |
| DLF 160 | Development bank | 1,000,000 | | | 1,000,000 | | |
| Lebanon: 208-A-003 | Aluminum plant | 400,000 | 369,590.05 | 369,590.05 | | 30,409.95 | Project completed; deobligation represents unused balance. |
| DLF 96 | Electric powerplant | 500,000 | | | 500,000 | | Remarks will be furnished subsequently. |
| (—) | Project commitment | 12,000,000 | | | 12,000,000 | | Do. |
| Pakistan: 391-A-006 | Water and sewerage | 5,500,000 | 4,000,000.00 | 3,705,072.98 | | 1,500,000.00 | Karachi Development Authority notified AID that \$4,000,000 satisfied requirements for equipment under this project. Karachi Development Authority desired to use \$1,500,000 left for a balancing works. AID declined; considered not feasible at this time. |
| 391-A-013 | Power transmission lines | 14,700,000 | 12,214,775.32 | 11,037,080.03 | | 2,435,224.68 | Project virtually completed; deobligation represents unused balance. |
| 391-A-018 | Jet runway | 4,800,000 | 3,045,130.30 | 3,045,130.30 | 1,000,000 | 754,869.70 | Project completed. Decommitment for \$1,000,000 based on decision that borrower did not need all of equipment. |
| 391-A-022 | Expansion gas treating plant | 2,000,000 | 1,993,693.59 | 1,993,693.59 | | 6,306.41 | Project completed; deobligation represents unused balance. |
| 391-A-036 | 3d railways | 6,500,000 | 6,499,369.67 | 6,499,369.67 | | 630.43 | Do. |
| 391-II-041 | PICIC—4th | 7,500,000 | | | 7,500,000 | | Decommitted because bank would not be able to fully utilize loan at this time. Sufficient funds still available under previous loans. |

No. 176—8

Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans: (Con.)

(As of Dec. 31, 1964)

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount deobligated and/or decommitted | | Remarks |
|--------------------------------------------|--------------------------------------|-------------------|---------------------|-----------------|---------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | | Decommitted | Deobligated | |
| NEAR EAST AND SOUTH ASIA—CON. | | | | | | | |
| Pakistan—Con. 391-H-042 | Thermal power generating station. | \$26,000,000 | \$18,900,000.00 | \$13,628,472.79 | | \$7,100,000.00 | Reduction in the amount of the loan is due to an increased contribution by the borrower from its own resources to cover rising local costs. |
| 391-H-044 | Sui Gas Transmission, Ltd. | 2,800,000 | | | \$2,800,000 | | Borrower requested revisions which changed the scope of the project. |
| 391-H-061 | Dacca International Airport | 4,300,000 | | | 4,300,000 | | The Government of Pakistan is proceeding with project with their own funds. |
| 391-H-067 | Balancing works, water and sewerage. | 3,100,000 | | | 3,100,000 | | Karachi Development Authority decided that the return on the investment would be insufficient to repay debt. |
| DLF 69 | Port of Chalna | 2,000,000 | | | 2,000,000 | | Loan was authorized but subsequent to sending the letter of advice, the Government of Pakistan advised U.S. AID they desired certain items changed and substituted. DLF replied requested change, changed scope of project. Required justifications economic and technical were not submitted and loan offer was rejected. |
| (—) | Grain storage | 2,500,000 | | | 2,500,000 | | Funds were earmarked but DLF received no application from the Government of Pakistan. |
| Syria: 276-A-001 | Textile mill | 1,000,000 | 689,997.00 | 689,997.00 | 300,000 | 3.00 | Project completed: \$300,000 decommitted when DLF discovered that suppliers' credit had been available to finance some of the equipment which initially was to be financed by DLF 90. |
| 276-A-003 | Telecommunications | 5,000,000 | 259,902.08 | 259,902.08 | | 4,740,097.92 | This was a loan to Development Bank for a private business. The nationalization of industry killed off the need. |
| Turkey: 277-A-008 | Aerial mineral survey | 900,000 | 543,974.16 | 543,974.16 | | \$56,025.84 | Loan completed, deobligation represents unused balance. |
| 277-A-016 | Electric power distribution | 7,000,000 | 6,153,218.00 | 6,027,753.04 | | \$46,782.00 | Project completed. Borrower submitted request to utilize balance; however, AID considered the request beyond the scope of the loan, and since the TID had expired deobligated this balance. |
| 277-A-019 | Railway construction | 6,000,000 | 4,300,000.00 | 3,964,491.31 | | 1,700,000.00 | Local funds substituted for foreign exchange. |
| 277-H-037 | Seflon nylon plant | 1,800,000 | | | 1,800,000 | | The private investor could not satisfy requirements for equity. Project canceled. |
| DLF 71 | Plastics and carbide plant | 6,100,000 | | | 6,100,000 | | Letter of advice authorizing a loan amount of \$1,000,000 was forwarded Dec. 26, 1959; however, proposed partnerships between Monsanto Chemicals and Siedison and De Nora of Italy was not consummated and therefore proposed borrower corporation was not formed. DLF could not execute loan agreement. |
| United Arab Republic (Egypt): 263-A-006 | Development bank | 7,000,000 | 2,500,000.00 | 2,264,472.63 | | 4,500,000.00 | Private business has been nationalized and since there are no longer any potential borrower the loan was canceled. |
| 263-A-007 | Canning and freezing plant (Edina) | 450,000 | 200,000.00 | 174,061.28 | 250,800 | | \$250,000 was reserved for the manufacture of cans by Edina. Equipment had to be purchased in the United States. Egypt decided against this wanting to make use of a canning plant already existing. |
| DLF 142 | Telecommunications | 1,300,000 | | | 1,300,000 | | United Arab Republic decided it did not want the project. |
| Total, Near East and South Asia | | 463,675,000 | 324,207,403.04 | 314,211,603.65 | 16,225,000 | 33,242,596.96 | |
| Congo Republic: 679-H-001 | Road maintenance equipment | 2,700,000 | | | 2,700,000 | | Deauthorized due to change in planned project scope and Congo (B) political instability. |
| Ethiopia: 663-A-001 | Cotton textile mill | 500,000 | 499,999.94 | 499,999.94 | | .06 | Project completed. |
| 663-A-003 | Forestry development | 180,000 | 20,965.37 | 20,965.37 | | 159,034.63 | Borrower defaulted. |
| China: 675-H-003 | Electrification project | 2,400,000 | | | 2,400,000 | | Deauthorized due to change in planned project scope. |
| Liberia: 669-A-002 | Telecommunications | 3,000,000 | 180,000.00 | 140,000.00 | | 2,850,000.00 | DLF canceled loan due to unsatisfactory contractual arrangements. |
| Nigeria: 620-A-001 | Warehouse construction | 800,000 | 663,600.00 | 633,600.00 | | 136,400.00 | Project completed. |
| 620-A-002 | Track relaying project | 3,100,000 | 2,997,198.21 | 2,977,198.21 | | 102,801.79 | Do. |
| Nyasaland: (—) | Trans-Zambesia Railway | 10,700,000 | | | 10,700,000 | | Loan refused due to U.S. procurement requirement. |
| Sudan: 650-A-001 | Textile mill | 10,000,000 | 9,978,133.70 | 9,178,133.70 | | 21,866.30 | Project completed. |
| Tanganyika: 619-A-001 | Mwanza-Musoma Rd. | 1,000,000 | 1,898,400.00 | 1,188,400.00 | | 1,600.00 | Do. |
| Total, Africa | | 25,240,000 | 16,208,297.22 | 16,108,297.22 | 16,800,000 | 3,271,792.78 | |

Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans—Con.

[As of Dec. 31, 1964]

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount doobligated and/or decommitted | | Remarks |
|----------------------|-------------------------------|-------------------|---------------------|-----------------|---------------------------------------|----------------|-------------------------------------------------------------------------------------|
| | | | | | Decom-mitted | Deobligated | |
| EUROPE | | | | | | | |
| Spain: | | | | | | | |
| 152-A-047 | Hydroelectric plant | \$3,900,000 | \$1,079,359.28 | \$1,079,359.28 | | \$2,220,640.72 | Do. |
| 152-A-048 | Electric switch gear | 350,000 | 340,274.44 | 340,274.44 | | 9,725.56 | Do. |
| DLF 50 | Irrigation equipment | 7,700,000 | | | \$7,700,000 | | Canceled since Government of Spain failed to contribute local currency for project. |
| () | GE Espanola—power generation. | 1,200,000 | | | 1,200,000 | | Canceled since financing subsequently became available from other source. |
| Yugoslavia | | | | | | | |
| 158-A-011 | Diesel locomotives (1st) | 5,000,000 | 4,992,250.34 | 4,992,250.34 | | 7,749.66 | Project completed. |
| 158-A-014 | Diesel locomotives (2d) | 14,800,000 | 14,748,552.88 | 14,748,552.88 | | 51,447.12 | Do. |
| 158-A-021 | Diesel locomotives (3d) | 5,200,000 | 5,174,639.10 | 5,174,639.10 | | 25,360.90 | Do. |
| Total, Europe. | | 38,150,000 | 26,935,076.04 | 26,935,076.04 | 8,900,000 | 2,314,923.96 | |

SUPPLEMENT

Remarks for certain loans not provided in Dec. 31, 1964, report of cancellations, reductions of DLF and Alliance for Progress loans

| Region, country, and loan No. | Purpose | Remarks |
|---------------------------------|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LATIN AMERICA | | |
| Brazil: DLF 52 | Resettlement project | The prospective borrower rejected the offer due to (1) pending lawsuits against its firm, (2) indefinite delay in obtaining roads and other utilities, and (3) increased costs of the new project. |
| Haiti: DLF 108 | Sugar mill | After the loan approval was granted, the DLF Corporation discovered the borrower intended to sell the project and the offer was withdrawn. |
| Nicaragua: 524-L-007 | Rural electrification | Borrower increased its contribution to the project and the loan authorization was accordingly reduced. |
| FAR EAST | | |
| Thailand: (No loan number) | Thermal power | Export-Import became interested in financing the loan and it was agreed to cancel the funds earmarked for this project. |
| Vietnam: 430-A-005 | Saigon-Cholon water distribution system. | Engineering reports indicated loan amount was overestimated and authorized amount reduced by \$2,000,000. |
| NEAR EAST AND SOUTH ASIA | | |
| Afghanistan: DLF 146 | Aircraft acquisition | Loans not implemented since it proved impossible to reach agreement with RGA concerning the utilization of the local currency to be repaid by the prospective borrower. |
| Jordan: DLF 160 | Development bank | Banking facilities nationalized. DLF Corporation withdrew offer of loan. |
| Lebanon: DLF 96 | Electric powerplant | Project independently financed by BCAIF (development bank) funded by DLF loan No. 99. |
| (No loan number) | Project commitment | USAID and officials of the Government of Lebanon recommended that the funds be de-earmarked. |

EXHIBIT B

Listing of amounts canceled, terminated, or reduced on all DLF liquidating account, new DLF and Alliance for Progress loans for the period Jan. 1 through Mar. 31, 1965

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount doobligated and/or decommitted | | Remarks |
|----------------------------------|-----------------------------|-------------------|----------------------|-----------------|---------------------------------------|----------------|----------------------------------------------------------------------------------------------------------|
| | | | | | Decom-mitted | Deobligated | |
| LATIN AMERICA | | | | | | | |
| Bolivia: 511-L-016 ----- | La Paz-El Alto highway .. | \$3,900,000.00 | \$3,900,000.00 ----- | | | \$3,900,000.00 | New Bolivian Government determined the project not to be of highest priority in its development program. |
| Brazil: 512-L-013 ----- | Feasibility studies ----- | 1,500,000.00 | | | \$1,500,000 | | |
| Colombia: 514-L-024 ----- | Procurement of commodities. | 60,000,000.00 | 59,954,026.09 | \$59,953,368.21 | | 45,973.91 | Terminal date expired. |
| Ecuador: 518-A-006 ----- | Highway construction --- | 4,700,000.00 | 4,700,000.00 | 3,704,184.19 | | 500,000.00 | Loan agreement project overestimated. Decommitted for political reasons. |
| Unannounced loan authorizations. | | 24,950,000.00 | | | 24,950,000 | | |
| Total, Latin America. | | 95,050,000.00 | 68,554,026.09 | 63,657,552.40 | 26,450,000 | 4,445,973.91 | |

September 23, 1965

EXHIBIT B—Continued

Listing of amounts canceled, terminated, or reduced on all DLF liquidating account, new DLF and Alliance for Progress loans for the period Jan. 1 through Mar. 31, 1966—Continued

| Country and loan No. | Purpose | Amount authorized | Amount of agreement | Amount expended | Amount deobligated and/or decommitted | | Remarks |
|---------------------------------|------------------------------------|-------------------|---------------------|-----------------|---------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | | Decommitted | Deobligated | |
| FAR EAST | | | | | | | |
| China: | | | | | | | |
| 484-A-016 | Telecommunications | \$,000,000.00 | \$2,000,000.00 | \$1,974,876.73 | | \$16,123.27 | Project completed and funds not needed. Requirements less than original estimate. |
| 484-B-026 | Taiwan telecommunications. | \$,200,000.00 | \$,200,000.00 | 327,878.66 | | 1,014,463.04 | |
| Korea: | | | | | | | |
| 489-A-012 | Nylon plant | 3,138,000.00 | 3,138,000.00 | 3,137,464.65 | | 7,635.35 | Project completed and funds not needed. Requirements less than original estimate. |
| 489-II-015 | Cement project | 4,280,000.00 | 4,280,000.00 | 3,872,865.33 | | 218,036.24 | |
| Philippines: | | | | | | | |
| 492-A-004 | Small industry loan fund | 2,691,034.25 | 2,691,034.25 | 2,683,056.90 | | 27,183.76 | Project completed and funds not needed. |
| Total, Far East | | 17,279,034.25 | 17,279,034.25 | 11,861,141.23 | | 1,283,331.66 | |
| NEAR EAST AND SOUTH ASIA | | | | | | | |
| Ceylon: | | | | | | | |
| 383-A-007 | Airport construction | 165,080.00 | 165,080.00 | 134,623.39 | | 72,077.61 | Assistance to Ceylon discontinued. Greece has reached a development stage where it can get loans and credits from regular international sources without the necessity of relying on foreign assistance or concessionary terms. |
| Greece: | | | | | | | |
| 240-II-021 | Development bank | 5,000,000.00 | 5,000,000.00 | | | 5,000,000.00 | |
| 240-II-022 | do | 5,000,000.00 | 5,000,000.00 | 12,682.05 | | 4,917,317.95 | |
| India: | | | | | | | |
| 386-A-019 | Thermal power project | 3,779,624.07 | 3,779,624.07 | 3,770,753.60 | | 9,071.07 | Project completed. Deobligation represents unused balance. GOI unable to give assurances that coal from Ramgarh would not be utilized by the Soviet-financed steel mill at Bokaro. |
| 386-II-128 | Ramgarh coal mine and coal washery | 8,500,000.00 | | | \$8,500,000 | | |
| Israel: | | | | | | | |
| 271-A-062 | Telephone development | 6,000,000.00 | 6,000,000.00 | 5,979,865.12 | | 20,104.88 | Project completed. Deobligation represents unused balance. |
| Pakistan: | | | | | | | |
| 391-A-006 | Water sewerage disposal | 4,000,000.00 | 4,000,000.00 | 3,771,579.30 | | 228,420.70 | Do. |
| 391-A-010 | Railway rehabilitation | 9,100,000.00 | 9,100,000.00 | 9,079,399.86 | | 80,600.14 | Do. |
| 391-A-011 | Karnafali multipurpose dam | 20,250,000.00 | 20,250,000.00 | 17,930,652.00 | | 2,097,000.00 | Do. |
| 391-A-012 | Land reclamation | 15,200,000.00 | 15,200,000.00 | 14,912,035.38 | | 229,560.66 | Do. |
| 391-A-017 | Inland waterways | 1,750,000.00 | 1,750,000.00 | 1,710,994.27 | | 30,006.73 | Do. |
| 391-A-019 | Development bank | 10,000,000.00 | 10,000,000.00 | 9,913,279.11 | | 96,720.89 | Unused balance deobligated because PICIC has available funds under the more recent loan PICIC III. |
| 391-A-020 | Railway rehabilitation | 22,000,000.00 | 22,000,000.00 | 21,870,695.39 | | 129,304.61 | Project completed. Deobligation represents unused balance. |
| 391-II-039 | Iron and steel imports | 90,000,000.00 | 90,000,000.00 | 89,055,008.80 | | 944,481.65 | Do. |
| 391-II-046 | General commodity imports | 42,000,000.00 | 42,000,000.00 | 41,320,934.09 | | 644,183.90 | Do. |
| Turkey: | | | | | | | |
| 277-A-019 | Railway construction | 4,300,000.00 | 4,300,000.00 | 3,154,491.31 | | 316,610.70 | Do. |
| Total, Near East and South Asia | | 247,044,704.07 | 238,544,704.07 | 223,439,202.67 | 8,500,000 | 14,815,470.49 | |
| AFRICA AND EUROPE | | | | | | | |
| Ethiopia: | | | | | | | |
| 663-A-005 | Jet aviation facilities | 3,100,000.00 | 3,100,000.00 | 2,438,512.22 | | 461,487.78 | Project completed. Do. |
| 663-A-006 | Road maintenance | 3,600,000.00 | 3,600,000.00 | 3,111,558.50 | | 248,742.29 | |
| Yugoslavia: | | | | | | | |
| 158-A-012 (DLF 84) | Kosovo thermal electric, phase I | 9,000,000.00 | 9,000,000.00 | 8,733,916.50 | | 266,083.44 | Do. |
| Total, Africa and Europe | | 15,700,000.00 | 15,700,000.00 | 14,183,987.28 | | 976,313.51 | |

Mr. ELLENDER. Mr. President, here is another nice amount that we made available to Iran, oil rich Iran, for the purpose of constructing a port at Bandar Abbas, we made a loan of \$12 million. The sum was later decommitted. The reason given was, "Canceled at the request of the Government of Iran. It was decided, because of financial difficulties, to postpone the project until the Third Plan."

What that means is that we offered that sum on certain conditions, and Iran was unable or unwilling to meet those conditions. I presume we had asked them to pay so much, but they could not pay it. Probably they wanted us to grant the entire amount. Anyway, it was canceled.

There are any number of programs and projects similar to the ones I have cited, which have been decommitted or

canceled; and all that money is now available for loaning. That sum will be added to the huge sum now requested and provided for in the pending bill.

As I pointed out, further evidence of the inability of the Agency to find sound economic projects to be funded by loan can also be found in the huge unobligated balance which existed in the development loan account at June 30, 1965.

It is indicated in the committee report that these balances amounted to \$91,292,000 at the end of fiscal year 1965. In this connection, I should point out that at April 30, 1965, the AID had been able to obligate only 55 percent of the funds available for development loans during that fiscal year. During the last 2 months of fiscal year 1965, approximately \$271 million was obligated for development loans, out of a total availability of \$822 million. Thus, approxi-

mately 33 1/2 percent of the funds available were obligated in the last 2 months of the fiscal year.

It was possible for the Agency to obligate such a large amount of funds in the last 2 months of the fiscal year because section 103 of the general provisions of the bill now before the Senate does not apply to the development loan account. As Senators know, section 103 provides that not more than 20 percent of any appropriation item made available by this title shall be obligated and/or reserved during the last month of availability.

But I submit that, notwithstanding it being within the law to obligate more than 20 percent of the development loans in the last 2 months of the fiscal year, the actual obligation of 33 1/2 percent of the funds of the development loan account in the last 2 months indicates poor

programing and great inefficiency in administration.

I reiterate that that is why so much of this fund has been decommitted. However, the money was obligated in advance before the year expired, so that it could be said that the money left over was little or nothing. Yet, as I pointed out, for them to have obligated a third of the full amount appropriated during that fiscal year in the last 2 months of the program showed, in my opinion, poor management.

I am confident that a considerable amount of this 33 1/3 percent that has been obligated in May and June of 1965 will be deobligated during fiscal year 1966 simply because the obligations were really never firm and the agency is having difficulty finding worthy economic projects requiring development loan financing.

Mr. President, let us not kid ourselves. The development loan program that is submitted to Congress each year is completely illustrative. There is hardly anything in it that will really come to be. Those programs that eventually come into being bear little resemblance to the evanescent illustrative programs presented to Congress each year.

In some of the countries for which development loan funds are requested, the amount of development loan assistance seems to be deliberately understated. This understatement usually takes place in countries which are highly developed and really should not even be on the dole. An outstanding example of a country in this category is Israel.

In fiscal year 1965, the AID program for Israel which was submitted to the Congress indicated that the development loan program would amount to a low range of zero and a high range of \$10 million. Actually, development loans made to Israel in fiscal year 1965 amounted to \$20 million.

The money is supposed to help underdeveloped countries. The people in Israel are as well provided for as are our own people. The people in Israel have a high per capita income. The economy of Israel is patterned after our own economy. Yet we are making soft loans to a country that is very well developed.

An \$8 million loan was made to Israel to meet the foreign exchange costs of imports, of capital equipment, and materials for the country's investment program. Another loan was made to this country in the amount of \$12 million to assist the Government of Israel implement its agricultural development plan by providing foreign exchange for machinery and equipment to increase mechanization of farming and control of irrigation water.

Mr. President, there is no excuse for making these loans to Israel out of the Development Loan Fund. I concede that the loans were made for worthy purposes. I grant that they were made to obtain excellent economic objectives, but the bank that should have financed these loans was the Export-Import Bank and not the Development Loan Fund. Israel is a prosperous country and able to service loans from the Export-Import Bank. There is no need to make soft loans out

of the Development Loan Fund to this highly developed nation.

In fiscal year 1964, the development loan presentation to the Congress indicated that the loan program contemplated for Israel was a low range of zero to a high range of \$20 million. Loans finally made in fiscal year 1964 aggregated \$45 million. In this connection, I would like to refer to the foreign assistance hearings held before the Senate Appropriations Committee last year; not the hearings just recently concluded by the committee.

On page 437 of last year's hearings, the acting chairman, Senator PASTORE, interrogating Mr. Gaud of AID, stated:

Senator PASTORE. Looking back to the Israel loan of last year, it was contemplated to be \$16 or \$20 million and finally ended up under the revised program of \$45 million.

Mr. GAUD. Yes, sir.

Senator PASTORE. Why was that increased? What accounted for that?

Mr. GAUD. As you know, Mr. Chairman, these requests are made a long time in advance and in February of 1962 when we made up that request we were hopeful that \$16 or \$20 million would fill the need as far as Israel was concerned, but we were persuaded before the fiscal year was out that Israel's foreign exchange, balance of payments, and her entire economic position was such as to justify \$45 million, which was the same amount we had given her the year before.

Mr. President, it is the same old story year after year: to deliberately understate the loan program for some of the prosperous countries, and to overstate the program in those countries where there is a need for development loan funds; a need—I might add—that is not difficult to justify to Congress. Countries falling in this category—just to name two—are India and the Philippines.

The Philippines, for instance, was scheduled to receive \$15 million of development loans in fiscal year 1965 but, subsequently, after Congress had acted on the AID program the Philippines loan program was revised downward to zero. In taking this action, the Agency for International Development pointed out:

The Philippine development loan applications, which were expected to be received during fiscal year 1965, did not materialize because the preliminary surveys had not been completed and the Philippine Government could not raise the local funds required for other potential AID loan projects.

In the case of India for fiscal year 1965, this huge country was programed to receive \$385 million of development loans. This sum was later revised downward to \$350 million.

Mr. President, I submit that the Agency for International Development should be admonished to cease and desist deceiving Congress. The way to effect this admonishment is to cut back the development loan funds in this bill. I believe that programs presented in the justifications to Congress, while being illustrative, should really square with the intent of the Agency instead of being meaningless window dressing in order to get the Congress to act favorably on the requests for appropriations. The practice of understating aid to be granted to prosperous countries, and overstating aid to be granted to those in dire need, must end immediately.

I believe that AID has really been in the business long enough now to have obtained sufficient experience and it has on hand a sufficient number of loan applications to present to Congress a sound and meaningful aid program for development lending. There really is no excuse for inflating and deflating the request for loan funds, which appears to be done solely for the purpose of manipulating votes in Congress.

Mr. President, another appropriation account in this bill that is overfunded is the general contingency fund. Mr. President we must call this contingency fund the general contingency fund because, for the first time in the foreign assistance appropriation bill, we now have a second slush fund, which is known as the special contingency fund for southeast Asia. Lest anyone be confused, I am not now addressing my remarks to the special contingency fund for southeast Asia, which is also in this bill and is funded to the tune of \$89 million. Rather, I am addressing my remarks to the general contingency fund, which is funded to the extent of \$50 million.

Mr. President, for years, I, along with other Members of Congress and especially of the Senate, have put forth considerable effort to stop the abuses in the uses of the general contingency fund. This fund was initially established in 1958 to give the President the funds he required to provide help in any economic, political, or natural emergency abroad, in order to further the general objectives of the then existing mutual security program. It was not to be used for military contingencies. The same language contained in the Mutual Security Act was brought forth as section 451 of the Foreign Assistance Act of 1961, as amended, and it reads as follows:

SEC. 451. CONTINGENCY FUND.—There is hereby authorized to be appropriated to the President for the fiscal year 19__ not to exceed \$_____ for use by the President for assistance authorized by part I in accordance with the provisions applicable to the furnishing of such assistance, when he determines such use to be important to the national interest.

Part I referred to in section 451 is that part of the Foreign Assistance Act of 1961, as amended which is concerned with economic assistance to foreign countries. Part I of the Foreign Assistance Act has absolutely nothing to do with the granting of military assistance, which is provided for in part II of the aforesaid act. Nevertheless, a review of the uses to which the section 451, contingency fund, has been put over the past 2 fiscal years would lead one to conclude otherwise.

Let us take a look at the uses of the resources of the contingency fund during these years, bearing in mind that since its creation 6 years ago the contingency fund has been similarly abused.

In fiscal year 1964, there were funds available in the general contingency fund of \$184,774,000. During the course of that year, these funds were put to use in both the military and economic areas notwithstanding the fact that the contingency fund was supposed to be used for economic purposes only.

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During fiscal year 1964, \$75 million was transferred to the military assistance program; \$50 million was loaned to Brazil for the procurement of essential commodities; \$38 million was made available to Vietnam for commodities for the counterinsurgency program and commercial import program; \$8,850,000 was made available for air support costs and subsistence and other commercial consumables; \$2,724,000 was made available for U.N. peacekeeping in Cyprus; \$3,400,000 was made available to Bolivia for budgetary support; and only \$4 million was made available for the relief of victims of natural disasters and civil strife in countries throughout the world. By the end of fiscal year 1964, a small unobligated balance of only \$800,000 remained in the contingency fund.

Mr. President, I ask unanimous consent to have printed in the RECORD exhibit C, which explains this point.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

EXHIBIT C

Status of fiscal year 1964 contingency fund as of June 30, 1964 (preliminary)
[In thousands of dollars]

| RESOURCES | |
|-----------------------------------------------|---------|
| Appropriation..... | 50,000 |
| Other availabilities: | |
| Unobligated carryover..... | 127,099 |
| Reimbursements..... | 2,400 |
| Recoveries (deobligations)..... | 5,275 |
| Total..... | 134,774 |
| Total available..... | 184,774 |
| USES | |
| Sec. 610 transfer to other appropriations: | |
| To military assistance program..... | 75,000 |
| To American schools and hospitals abroad..... | 1,600 |
| Total..... | 76,600 |
| Obligations ¹ | 107,428 |
| Unobligated balance..... | 746 |
| Total..... | 184,774 |

| | |
|--------------------------------------------------------------------------------------------------|----------------|
| ¹ Contingency fund obligations: | |
| Laos: Air support costs and subsistence, and other commercial consumables..... | Amount \$8,850 |
| Thailand: Costs in connection with U.S. Army portable transmitter loaned to Thai Government..... | 300 |
| Vietnam: Commodities for counterinsurgency program and commercial import program..... | 38,026 |
| Bolivia: Funds for budgetary support..... | 3,412 |
| Brazil: Loan for procurement of essential commodities..... | 50,000 |
| Panama: A and E services shortfall for school construction..... | 150 |
| U.N. peacekeeping—Cyprus: To meet U.S. pledge to U.N. peacekeeping force in Cyprus..... | 2,724 |
| Disaster relief: Relief of victims of natural disasters and civil strife..... | 3,968 |
| Total obligations..... | 107,428 |

Mr. ELLENDER. In fiscal year 1965, Congress appropriated \$99,200,000 for the general contingency fund and with the carryover of \$800,000 from fiscal year 1964, a total of \$100 million should have been available for fiscal year 1965. But

because of deobligations, the \$800,000 unobligated balance was swollen to a figure of \$6,800,000 so that in excess of \$106 million was available for the contingency fund in fiscal year 1965.

And how were these funds used, Mr. President?

Remember, as I have said, that this contingency fund was to be used, as I understand the law and the rules, for economic assistance. But listen to how it was used.

Once again, a transfer was made to the military assistance program. This time the amount was \$55 million; \$5,800,000 was used in British Guiana; almost \$21 million was used in the Dominican Republic; \$5½ million in Panama for budgetary support; \$15 million in Vietnam; once again, \$5 million for peacekeeping in Cyprus; and a little over \$4½ million for natural disasters. It would appear to me that the bulk of these funds has been used to fund situations that were not contemplated in section 451 of the Foreign Assistance Act of 1961, as amended.

I ask unanimous consent that there may be printed in the RECORD at this point an exhibit marked "D" which explains the situation.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Without objection, it is so ordered.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

EXHIBIT D**ECONOMIC ASSISTANCE**

Status of fiscal year 1965 contingency fund as of June 20, 1965 (preliminary)
[In thousands]

| RESOURCES | |
|---------------------------------|----------|
| Appropriation..... | \$59,200 |
| Other availabilities: | |
| Unobligated carryover..... | 3,160 |
| Recoveries (deobligations)..... | 13,004 |
| Total..... | 16,164 |
| Total available..... | 115,364 |

| USES | |
|-----------------------------------------------|----------------|
| Section 610 transfer to other appropriations: | |
| To military assistance program..... | 55,000 |
| Obligations..... | 157,606 |
| Unobligated balance..... | 2,858 |
| Total..... | 115,364 |
| ¹ Contingency fund obligations: | |
| British Guiana..... | Amount \$5,800 |
| Dominican Republic..... | 20,710 |
| El Salvador..... | 2,000 |
| Panama..... | 3,500 |
| Panama..... | 500 |
| Tunisia..... | 145 |
| Vietnam..... | 15,000 |
| U.N. peacekeeping—Cyprus..... | 5,052 |
| Dominican Republic..... | 133 |
| Disaster relief..... | 4,666 |
| Total..... | 57,506 |

REMARKS

Rehabilitation and maintenance of roads, seawalls, and the international airport.

Relief and rehabilitation to prevent economic deterioration.

Budgetary support to facilitate emergency earthquake reconstruction efforts.

Loan for budgetary support.

Grant for budgetary support.

Rehabilitation of railroad bridge washed out by floods.

Provision of essential commodities for the civil economy.

U.S. pledge for emergency peacekeeping in Cyprus.

U.S. contribution to special OAS fund for emergency assistance.

Relief of victims of natural disasters and civil strife.

Mr. ELLENDER. But even if all of the obligations in the various countries could be justified, surely the transfers to military assistance aggregating \$130 million over the past 2 years from the contingency fund cannot possibly be sanctioned. Because the fact is that there is a source of funds already provided under the Foreign Assistance Act to take care of any military contingency that may fortuitously occur during the year.

Section 510(a) of the Foreign Assistance Act gives the President special authority to use up to \$300 million for contingencies that may develop in any particular year should he determine that it is vital to the security of the United States that such be done. And section 510(b) provides that:

The Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursements in amounts equivalent to the value of such orders under subsection (a) of this section. Appropriations to the President of such sums as may be necessary to reimburse the applicable appropriation, fund, or account for such orders are hereby authorized.

The authority granted to the President under section 510 has been available since the passage of the Foreign Assistance Act of 1961 but has never been used until just a few months ago when, for the first time, \$75 million of military assistance was furnished under section 510. The reason why the President had to use section 510 this time was that he ran out of the funds provided for contingencies for economic assistance.

In this connection, I wish to point out that such would not have been the case if I had not offered an amendment last year on the floor of the Senate to reduce the contingency fund by \$50 million. I submit that if this \$50 million had not been cut from the contingency fund, it would have been transferred to military assistance by the President in fiscal year 1965.

Bear in mind that this money was transferred to countries that were never named in the Foreign Assistance Act.

In the past, rather than use section 510 and thereby be compelled to justify it to the Congress—even though it is true it will be after the fact—any uses of funds for military contingencies, the President has consistently thwarted the initial intent of Congress and made transfers to military assistance from funds that were appropriated for uses in the economic aid area.

Just how does it become possible for the intent of Congress to be circumvented by the President if section 451 funds are supposed to be used for economic purposes? How can he make transfers to military assistance? It is really not a simple matter and a considerable amount of legal gymnastics is

employed to effect the transfer of large amounts of contingency funds to military purposes. To understand the tortuous process, it is necessary to review other sections of the Foreign Assistance Act.

One can start with section 610 of the Foreign Assistance Act of 1961, as amended, which permits only up to 10 percent transfer of funds from one appropriation account to another. Thus, during fiscal year 1965, if one looks only at section 610 it would seem that it would have been possible to transfer approximately \$10 million from the contingency fund to military assistance since only \$106 million was available in the contingency fund. Nevertheless, the President was actually able to transfer, and did transfer, \$55 million in fiscal year 1965—and that in direct contravention of the law. To understand this, we must go to the next step in the legal labyrinth which is found in section 614(a) of the Foreign Assistance Act. This section, when read in conjunction with section 610, gives the President all the flexibility he needs in the obligation of foreign aid funds and permits Congress to abdicate any responsibility it may have under the Constitution to control our Nation's purse strings.

Mr. President, I would like to read to Senators the precise language of section 614(a) of the Foreign Assistance Act of 1961, as amended:

Sec. 614. Special Authorities.—(a) The President may authorize in each fiscal year the use of funds made available to use under this Act and the furnishing of assistance under section 510 in a total amount not to exceed \$250,000,000 and the use of not to exceed \$100,000,000 for foreign currencies accruing under this Act or any other law, without regard to the requirements of this Act or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.), in furtherance of any of the purposes of such Acts, when the President determines that such authorization is important to the security of the United States. Not more than \$50,000,000 of the funds available under this subsection may be allocated to any one country in any fiscal year.

It should be clear that this language gives the President carte blanche to shift funds from any appropriation account of the foreign assistance bill to any other appropriation accounts for the foreign assistance bill just as long as no one particular country is granted more than \$50 million of the funds transferred.

I might point out, Mr. President, that it is for this reason that the amount loaned to Brazil from the contingency fund in fiscal year 1964 was limited to \$50 million. If the limitation of \$50 million were not written into section 614(a) of the Foreign Assistance Act of 1961, as amended, chances are that this loan would have been for a considerably larger sum.

In view of what has been done with the contingency fund over the years, I am firmly convinced that the contingency fund should be minimal, and I feel that for fiscal year 1966 not more than \$20 million should be allowed to take care of the disasters that occur throughout the world, whether they be economic, political, or natural. Thus, I feel that

the \$50 million recommended by the committee for the contingency fund is \$30 million more than is required.

If funds and equipment are needed to provide internal security where Communist subversion threatens, then the President can use the \$300 million provided in section 510(a). In addition, if the funds provided under section 510(a) should prove insufficient, there are available under section 610 and section 614(a) of the Foreign Assistance Act of 1961, as amended, authorities to make further millions available for use in the event that disaster or subversion threatens any nation of the free world.

It is time for us to put into effect many of the sound recommendations made by various committees and individuals to improve the foreign assistance program. To tighten up on the general contingency fund is an excellent place to make a beginning to improve the foreign aid program.

Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum, with the time for the quorum call to be charged to my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the first amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. I ask that the yeas and nays be ordered on all three amendments. If Senators will remain here for the next 10 or 15 minutes we can dispose of all three amendments.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second, and the yeas and nays are ordered on the three amendments.

Mr. PASTORE. The first amendment that is pending would provide for an across-the-board cut of \$100 million in military assistance. As I have indicated this afternoon—and I do not wish to repeat myself—this would be a disastrous cut. The Senate has just rejected the amendment which would have provided for a larger reduction of \$292 million. This is \$100 million, across the board.

I sincerely hope that the Senate will reject it.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

I spoke for over an hour trying to explain the three pending amendments, but there were only about four Senators present.

This cut that I am seeking to make now would reduce the military assistance in 17 countries to what it was last year.

We would increase the military assistance to certain Latin American countries under the pending bill. It would be in-

creased in those countries by \$7,806,000 over last year.

With respect to Ethiopia and Spain, my amendment, if adopted, would prevent an increase of \$17 million.

As I said before, I am not proposing to reduce by one nickel the amount provided for South Vietnam. That amount is not touched at all. The \$100 million cut would affect only the increases that the bill would make to certain countries. I cannot state the amounts to be increased for each country because that is secret. But if Senators knew the amounts that were added to the various countries and the reasons for so doing, I feel certain that they would vote for my amendments.

I hope the amendment will be adopted. It would save much needed money.

I reiterate that this cut would not affect any country that is now at war. It will affect only countries that we have been assisting for the past 15 or 20 years and some countries that have been newly added to the list.

I hope the amendment will be adopted.

Mr. PASTORE. Mr. President, the President, the Senator from Louisiana has just put his finger on the reason why his amendment should not be adopted. When the Secretary of Defense, through his assistant, appeared before the committee, together with the Chairman of the Joint Chiefs of Staff, the Senator from Rhode Island took each of the classified figures that have been mentioned by the Senator from Louisiana and asked for a detailed, line-by-line explanation of why certain small increases were being made. It is too bad that we cannot speak of secret or classified figures on the floor of the Senate. Possibly much of the confusion that exists on the floor of the Senate could be avoided if Senators, at any time the committee holds a meeting in executive session on highly classified matters, would attend such meeting to learn firsthand why some of the projects are being recommended by the subcommittee and by the Committee on Appropriations itself.

A question has been raised about Taiwan. I cannot say what kind of equipment is necessary for Taiwan or speak about some of the things that are being done over China. It is unfortunate that we cannot talk about that.

All I say is that if we create the impression in Peiping that we will allow Taiwan to have obsolete equipment, we will see a move by Peiping toward Taiwan. We will begin to see pressures applied in the cunning, subtle way that only Communists know how to employ. Let the Communist world begin to think that we will lie down and relax with respect to modernizing some of the equipment our friends have to hold back an onslaught of communism, and we will begin to see the penetration and probing to which Communists are accustomed.

The committee has examined into this subject thoroughly. Senator Pastore does not favor the squandering of money. I asked for explanations. When Senators read the hearings and come to important parts which read "Deleted, Deleted, Deleted," and ask, "Why?" the

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answer is that the information is secret. After all, if any Senator has a need to know, I urge him, I implore him, I beg him to visit with the Secretary of Defense and with the Chairman of the Joint Chiefs of Staff to get the answers.

Every nickel that we have recommended for this purpose in the budget has been thoroughly and completely justified. If it is the conscience of the Senate to reduce the amount by \$100 million, I suppose that will be the verdict. But I say, as I said with respect to the amendment to cut \$292 million, do not handcuff the President now. It is too important in the history of mankind. Do not handcuff or handicap foreign aid here. Do not start to make meat-ax cuts.

Senators may say that a certain amount of money is in the pipeline. So much the better. I say that money will always have to be in the pipeline. We know that. When we return next year, God willing, there will still be a pipeline. This money is for the security of the free world and for the security of America. Let us not this afternoon indiscriminately make a cut of \$100 million merely because we think we can go home and boast, "I voted to cut \$100 million." Do Senators know what their constituents will say? They will say, "If you were that smart, why did you not kill the whole foreign aid bill?"

There is no glory, political or otherwise, in piecemeal cuts. There is no personal glory in this bill for PASTORE.

As I said earlier today, when I go home, no matter how successful I am, no flags will be flown at my house.

But my home will be more secure if we keep our land secure.

This cut would be a crucial, serious, dangerous cut. Speaking as the manager of the bill and speaking for the administration, I urge Senators not to do it.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LAUSCHE. I wish to make one observation about military aid to South America. The \$78 million provided in the appropriation bill is less than the amount provided 5 years ago. That issue has been argued in the Committee on Foreign Relations.

Mr. PASTORE. An attempt was made in committee to cut the amount by \$25 million. It lost by only two votes.

Mr. LAUSCHE. The \$78 million is less than the amount provided for South American countries 5 years ago. The argument has been: Do not give to the South American countries any money for military purposes. To do so would be harmful to our country.

In the Committee on Foreign Relations we have reduced the amounts so that the amount that has now been recommended is less than it was a half decade ago.

Mr. PASTORE. Mr. President, I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, the Senator from Iowa is not clear on this amendment. The amendment at the desk would cut the figure of \$1.070 billion for military assistance.

Mr. PASTORE. It would cut it from \$1.170 to \$1.070 billion. It would be a reduction of \$100 million.

Mr. MILLER. The Senator is correct. That is all it would do. Now we talk about Taiwan and some of the other countries. I fail to understand how the amendment which would merely cut the figure is necessarily related to Taiwan or any other foreign country.

Mr. PASTORE. I used Taiwan as an example. The same thing would apply to other countries.

What the Senator from Rhode Island is saying is that if we were to create the impression abroad among the Communist world that we were relaxing our modernization program for our allies, we would be inviting encroachment on the part of communism. As I said today, creeping communism would become galloping communism.

Mr. MILLER. I share the viewpoint of the Senator from Rhode Island and the feeling that it would create such an impression in Communist China. However, when \$100 million is cut out of this total—and nothing more is said in the amendment—I do not quite understand how we can conclude that Taiwan, or any particular country, would be affected by this cut.

I thought that perhaps the Senator from Rhode Island could tell us why.

Mr. PASTORE. The Senator from Louisiana made that argument. He made the argument that we are adding more money for Taiwan; and it is more money than last year. I explained why it should be so. I gave that as an example. We can run down the list, and the same argument would apply.

Mr. MILLER. Mr. President, if the Ellender amendment were to carry, would there be discretion in the administration as to the allocation of the \$1,070 million, so that the administration could use it wherever it thought desirable?

Mr. PASTORE. The Senator is correct. However, somebody's toes would have to be stepped on. When we take 1 quart out of a gallon, we end with only 3 quarts. Let us face it: it must be taken out of somewhere.

Mr. ELLENDER. Mr. President, to answer the Senator, nine of the countries in South America received \$37,922,000 in fiscal year 1965. This measure would give them almost \$8 million more than last year.

Mr. LAUSCHE. It would be an increase over last year?

Mr. ELLENDER. The Senator is correct. It has increased by almost \$8 million.

Mr. LAUSCHE. But it is not an increase over what it was 5 years ago.

Mr. ELLENDER. In the Far East, we are increasing the amount of military aid to countries other than South Vietnam.

In the Near East, in Greece, Iran, Pakistan, and Turkey, we are giving them now a quarter of a billion dollars. The plan is to increase that amount.

My plea is that the amount which we have given them in the past should be enough. I point out again that not one single solitary dime is proposed to be taken away from South Vietnam.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time having been yielded back, the question is on agreeing to the first amendment offered by the senior Senator from Louisiana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. McCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Pennsylvania [Mr. SCOTT] would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Arizona would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 35, nays 47, as follows:

[No. 271 Leg.]

YEAS—35

Bayh
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Clark
Cotton
Douglas
Eastland
Ellender
Ervin

Fong
Fulbright
Gruening
Hruska
Jordan, N.C.
Jordan, Idaho
McClellan
McGovern
Miller
Morse
Morton
Mundt

Nelson
Prouty
Proxmire
Randolph
Robertson
Russell, Ga.
Symington
Talmadge
Williams, Del.
Young, N. Dak.
Young, Ohio

NAYS—47

Aiken
Allott
Bartlett
Bass
Boggs
Brewster

Cannon
Carlson
Case
Cooper
Dirksen
Dodd

Dominick
Harris
Hart
Hartke
Hayden
Hickenlooper

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CONGRESSIONAL RECORD — SENATE

23979

| | | |
|----------------|-----------|----------------|
| Hill | Magnuson | Pell |
| Holland | Mansfield | Ribicoff |
| Inouye | McGee | Russell, S.C. |
| Jackson | McNamara | Smathers |
| Javits | Metcalf | Smith |
| Kennedy, Mass. | Monroney | Stennis |
| Kennedy, N.Y. | Moss | Thurmond |
| Kuchel | Murphy | Williams, N.J. |
| Lausche | Muskie | Yarborough |
| Long, Mo. | Pastore | |

NOT VOTING—18

| | | |
|-----------|-----------|-------------|
| Anderson | McCarthy | Saltonstall |
| Bennett | McIntyre | Scott |
| Curtis | Mondale | Simpson |
| Fannin | Montoya | Sparkman |
| Gore | Neuberger | Tower |
| Long, La. | Pearson | Tydings |

So Mr. ELLENDER's first amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, if the Senators will remain in the Chamber, we have two more votes coming up in rather rapid succession. Then I hope we can proceed to the third reading.

Mr. ELLENDER. Mr. President, I call up my second amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The legislative clerk read as follows:

On page 3, line 5, strike out "\$593,225,000," and insert in lieu thereof "\$543,225,000."

Mr. ELLENDER. Mr. President, the effect of this amendment—

The VICE PRESIDENT. How much time does the Senator yield himself?

Mr. ELLENDER. I yield myself 5 minutes.

Mr. President, the effect of this amendment is to cut from the general development loan fund, the sum of \$50 million.

I have explained at length why I believe the amendment should be adopted. In the first 3 months of this year, deobligations amounted to \$56 million. Over the past years, there has been deobligated and decommitted almost \$300 million.

We are providing for a sum of \$744,517,000, which, with the deobligated amount, will mean that the AID Administrator will have in excess of \$1 billion to lend, in fiscal year 1966.

Considering the fact that so much of these funds has been deobligated, I think we could easily cut this program by at least \$50 million.

I shall cite a couple of examples which are included in the data I previously included in the RECORD. In the Philippines, there was obligated \$5,300,000, and that sum remained idle for some time, but was finally deobligated overnight. All that money, of course, was returned to the development loan fund for relending.

Also in the Philippines, we loaned \$2,100,000 to an industrial explosives plant which was later deobligated, because the company that had borrowed the money was dissolved.

Mr. President, as I pointed out during my presentation, we have actually decommitted almost \$300 million in loans

previously made, and as I pointed out further, in the last 2 months of the last fiscal year, only a third of the money available for loans was obligated.

There is no question in my mind that by obligating these sums so swiftly that mistakes are bound to be made. I urge Senators to vote for my amendment so that we may at least save \$50 million.

Mr. PASTORE. Mr. President, I shall need only 2 or 3 minutes to reply. I would hope that the amendment would be defeated. I realize that there has been some deobligation every year. This has been true in previous years more so than this year. It is usual practice and common knowledge. But the committee took all of that into account. It cut the development loan generally, from the estimates of the administration, by \$132 million.

The job has been done by the committee. It has not come up with an astronomical figure over and above anyone else's estimate. The committee cut it below the estimate. It cut it even below the estimate of the House figure on the development loan. I say that we have cut it down to the bare bone. Now we will be getting into the marrow.

A long time ago we decided that the answer was loans, not grants, not giveaways, but borrowing and lending.

I realize that we make many concessions when it comes to the interest element. I have heard all these arguments time and again, but I am saying to the Senate this afternoon that we are aware there has been deobligation, as there should be. That is good administration. We took that all into account, and that is why we cut the development loan by \$132 million.

The committee did its job. It did not do its job by cutting the \$132 million so that it could be compromised down further and sliced another \$50 million. The committee did the job as it saw it, and cut it down to the bone.

I believe that it would be dangerous and serious to cut it any further, and I hope that the amendment will be defeated.

Mr. SYMINGTON. Mr. President, will the Senator from Louisiana yield?

The VICE PRESIDENT. Who yields time to the Senator from Missouri?

Mr. ELLENDER. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I would ask a question of the Senator from Louisiana [Mr. ELLENDER]. Are we talking about loans of 40 or 50 years' duration, with no interest charge, and no repayment of principal for 10 years?

Mr. ELLENDER. The Senator is correct.

Mr. SYMINGTON. Then actually we are not talking about loans at all. We are talking about grants.

The VICE PRESIDENT. The question is on agreeing to the second amendment of the Senator from Louisiana.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], and the Senator from Arizona [Mr. FANNIN] would each vote "yea."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 29, nays 53, as follows:

[No. 272 Leg.]

YEAS—29

| | | |
|--------------|---------------|----------------|
| Bartlett | Ellender | Murphy |
| Bible | Ervin | Russell, S.C. |
| Boggs | Fong | Russell, Ga. |
| Burdick | Gruening | Stennis |
| Byrd, Va. | Hruska | Symington |
| Byrd, W. Va. | Jordan, N.C. | Talmadge |
| Cotton | Jordan, Idaho | Thurmond |
| Dirksen | McClellan | Williams, Del. |
| Dominick | Morse | Young, N. Dak. |
| Eastland | Mundt | |

NAYS—53

| | | |
|-----------|----------------|----------------|
| Alken | Hickenlooper | Monroney |
| Allott | Hill | Morton |
| Bass | Holland | Moss |
| Bayh | Inouye | Muskie |
| Brewster | Jackson | Nelson |
| Cannon | Javits | Pastore |
| Carlson | Kennedy, Mass. | Pell |
| Case | Kennedy, N.Y. | Proxmire |
| Church | Kuchel | Randolph |
| Clark | Lausche | Ribicoff |
| Cooper | Long, Mo. | Smathers |
| Dodd | Magnuson | Smith |
| Douglas | Mansfield | Tydings |
| Fulbright | McGee | Williams, N.J. |
| Harris | McGovern | Yarborough |
| Hart | McNamara | Young, Ohio |
| Hartke | Metcalf | |
| Hayden | Miller | |

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CONGRESSIONAL RECORD — SENATE

September 23, 1965

NOT VOTING—18

| | | |
|-----------|-----------|-------------|
| Anderson | McCarthy | Robertson |
| Bennett | McIntyre | Saltonstall |
| Curtis | Mondale | Scott |
| Fannin | Montoya | Simpson |
| Gore | Neuberger | Sparkman |
| Long, La. | Pearson | Tower |

So Mr. ELLENDER's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I call up my third amendment, on page 2, line 18.

The VICE PRESIDENT. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 2, line 18, to strike out the figure "\$50,000,000" and insert in lieu thereof the figure "\$20,000,000".

Mr. ELLENDER. Mr. President, this is the last amendment I have to offer. It is very simple. All of us voted for the contingency fund. That fund was supposed to be used by the President to finance emergency needs that could not be foreseen in advance.

In the 1964 program less than \$4 million was used out of the total amount appropriated for natural disaster. Most of the rest of it was used for military assistance.

As I pointed out in debate, this contingency fund was created, not to furnish military assistance, but to provide economic aid in those situations which could not be foreseen.

In 1965 the sum of only \$6 million-odd was used to provide economic relief from disasters that could not be foreseen, but in that year \$55 million was used directly for military assistance. It was never conceived that emergency funds would be used for anything else but economic aid, but here, in 2 years, the President has used that fund to give military assistance to many countries that were not named in the presentation which was made to the committee.

I hope my amendment is adopted.

Mr. PASTORE. Mr. President, this is what I call a genuine handcuff amendment. This is the amendment that really handcuffs the President of the United States. I dare say I could name five Governors who have a contingency fund greater than \$20 million. Yet here is the President, who is responsible for the security of the Nation in a sensitive world. Here is the President, who is responsible for peace in our time, with all his resources he cannot know today what is going to happen tomorrow. He cannot foretell where or when the emergency may be. Yet, on the floor of the Senate, we are being asked to handcuff the President by reducing this fund from \$50 million to \$20 million because, it is said, we cannot trust the President to use that fund in case of an emergency.

If any amendment should be defeated, this one certainly should.

I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, the President has two other sources he can

use in case of emergency. He has as much as \$300 million that he can use under section 510. He has another fund of \$250 million that he can muster under sections 610 and 614 of the Foreign Assistance Act.

I pointed out in my main speech that the emergency fund is to be used solely and only for events that cannot be foreseen. Here the President has used that fund for military purposes. I think it is wrong. It is directly in opposition to what the Congress intended.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the third amendment of the Senator from Louisiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTAYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Pennsylvania [Mr. SCOTT] would vote "nay".

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Arizona would vote "nay".

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Texas would vote "nay".

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Massachusetts would vote "nay".

The result was announced—yeas 18, nays 63, as follows:

[No. 273 Leg.]

YEAS—18

| | | |
|--------------|---------------|--------------|
| Bible | Ervin | Morse |
| Burdick | Gruening | Mundt |
| Byrd, Va. | Hruska | Murphy |
| Byrd, W. Va. | Jordan, N.C. | Russell, Ga. |
| Eastland | Jordan, Idaho | Talmadge |
| Ellender | Müller | Thurmond |

NAYS—63

| | | |
|-----------|----------------|----------------|
| Aiken | Hart | Morton |
| Allott | Hayden | Moss |
| Bartlett | Hickenlooper | Muskie |
| Bass | Hill | Nelson |
| Bayh | Holland | Pastore |
| Boggs | Inouye | Pell |
| Brewster | Jackson | Proity |
| Cannon | Javits | Proxmire |
| Carlson | Kennedy, Mass. | Randolph |
| Case | Kennedy, N.Y. | Ribicoff |
| Church | Kuchel | Russell, S.C. |
| Clark | Lausche | Smathers |
| Cooper | Long, Mo. | Smith |
| Cotton | Magnuson | Stennis |
| Dirksen | Mansfield | Symington |
| Dodd | McClellan | Tydings |
| Dominick | McGee | Williams, N.J. |
| Douglas | McGovern | Williams, Del. |
| Fong | McNamara | Yarborough |
| Fulbright | Metcalf | Young, N. Dak. |
| Harris | Monroney | Young, Ohio |

NOT VOTING—19

| | | |
|-----------|-----------|-------------|
| Anderson | McCarthy | Saltonstall |
| Bennett | McIntyre | Scott |
| Curtis | Mondale | Simpson |
| Fannin | Montoya | Sparkman |
| Gore | Neuberger | Tower |
| Hartke | Pearson | |
| Long, La. | Robertson | |

So Mr. ELLENDER's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes on the bill to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, we again undertake the annual appropriations for some of the foreign aid programs this year amid dark signs that threats to world peace are still with us. Indeed, in many respects they are graver than last year. An acceptable solution to the crisis in Vietnam eludes us while our military and economic commitments to that beleaguered nation steadily rise. Castro still exports his brand of Communist revolution to other countries of Latin America—as is evidenced by his very recent efforts to gain control of the Dominican Republic. The United Nations faces what is probably the sternest test so far of its ability to function effectively as an instrument of international law and order. Dictators of certain countries who have been substantial recipients of our foreign aid resources continue to insult us, destroy and confiscate our property and even take the lives of our citizens. We are witnessing the spectacle of recipients of our military and economic aid using it to wage war against each other.

It is in this setting that we examine the administration's foreign aid appropriations request.

The request this year, as in past years, is misleading and presents a seriously distorted picture to the American people as to the nature and extent of our multifarious foreign assistance programs. Though no one really knows for sure—

not even the General Accounting Office—the \$3.907 billion of appropriations called for in the bill before us represents only a fraction of what this country will actually spend on foreign aid for fiscal year 1966. For, in addition to this bill, there are numerous other separate programs including the food-for-peace—a \$1.7 billion item in the forthcoming Agriculture budget—and the foreign expenditures of the Defense Department for another \$3 billion. Of course, the figures I have just alluded to do not include the more than \$6 billion in the so-called foreign aid pipeline for potential use in fiscal year 1966. By rough estimate there are at least 20 organs of the Federal Government that are involved in the foreign aid business. This effort utilizes the talents of at least 70,000 employees.

THE SALTONSTALL AMENDMENT

Mr. President, I fully supported the effort by the senior Senator from Massachusetts [Mr. SALTONSTALL] to cut another \$50 million from this appropriation. This is in addition to the \$94 million already lopped off in the Senate Appropriations Committee. This additional cut is most reasonable and can hardly be asserted to shake the foundations of a \$4 billion program. In an agency having pipeline funding of at least \$6 billion, it would seem reasonable that this modest sum can be absorbed without much difficulty. As such, this Senator was happy to cosponsor this amendment.

SACKING AND BURNING OF EMBASSIES AND LIBRARIES

Since the Senate last considered foreign aid 1 year ago, we have witnessed shocking and irresponsible behavior by Messrs. Nasser and Sukarno directed against U.S. citizens and their property and indeed outright insults against our Government and wanton destruction of U.S. Government property. Just this week a similar situation occurred in Pakistan.

In the view of this Senator, the limitations provided for in the authorization bill giving the President discretion to cut off aid to countries who repeat such behavior, though a halting step in the right direction, fall short of the firm stand which is demanded by the outrages to which I have alluded.

The Senate Foreign Relations Committee report on the authorization bill quite properly stated that a number of less developed countries "need to be informed" that they have no inherent right to U.S. assistance. But the message must be made plainly simple and without qualifications: those who would stand idly by while undisciplined mobs destroy our property, those who would go out of the way to insult this country, those who would take the lives of our citizens and expropriate their property are not to continue to participate in our assistance programs so long as they pursue that kind of reckless course.

Flexibility and freedom of action would lie in a firm course. But the choice would rest in the hands of those who would accept our aid. They should be told: "Treat us with respect and common decency, allow our citizens and their

property the same courtesies that peaceable men should be accorded in any civilized country or forget about our help."

Long gone is the naive idea that we can buy friendship with our aid dollars, but at least we do not have to pay for criminality, insults, or useless waste.

CUT OFF SUPPORT FOR THE UNITED NATIONS?

The financial difficulties which now beset the United Nations are truly the most serious threat to the viability of the world body since its inception. Although a final showdown has been averted temporarily by a major retreat by the United States, the result has been that now the U.N. Charter can be flouted at will by any nation that chooses to do so. While Russia, France, and others refuse to honor their just obligations, U.S. foreign aid dollars provide the financial transfusions to keep the U.N. afloat. We are giving over \$144 million for the year—and I am sure that will be only a starter. This is to be added to the \$2.4 billion already contributed or loaned by the United States—a whopping 45 percent of the 20-year spending record of the U.N.

If the member nations cannot meet their commitments, if the charter becomes but a scrap of paper, then it is high time for the United States to sit back to reassess and reconsider its participation in or at least such heavy support of the United Nations.

VIETNAM AND SOUTHEAST ASIA

We are considering in this bill economic and military aid requests for Vietnam of more than \$340 million, about evenly divided between the two kinds of support. This is in addition to the \$700 million blank check supplemental we have voted earlier for the remainder of fiscal year 1965 in military aid. Included is the \$89 million southeast Asia contingency fund. Presumably this \$89 million is the first installment of the billion-dollar carrot offered by President Johnson in his Johns Hopkins speech this spring.

This sum would be merely the pump primer for a massive, multilateral aid effort.

Mr. President, it is inconceivable to me that we should even consider, let alone appropriate such huge sums for economic development when the military and political conditions in Vietnam are so unsettled. In spite of our efforts to the contrary, there is a possibility that South Vietnam will go under or become neutralized. There is a good possibility that all that our economic aid at the present time might accomplish would be to fatten up the goose for Communist takeover.

Now I am not for 1 minute suggesting that we abandon our military efforts in Vietnam or southeast Asia. Indeed, I favor taking whatever steps are necessary to rid the area of Communist influence. To be sure, we must express our willingness to help in all practical ways to build for a bright future free from foreign domination, but it hardly makes sense to pour in hundreds of millions of economic aid dollars when the political and military situations are so fraught with danger and uncertainty.

BALANCE OF PAYMENTS AND FOREIGN AID

To say that our gold stocks are being reduced at a rapid rate and are now at dangerously lower levels is perhaps an understatement of the present state of affairs of our balance-of-payments situation. The Nation's gold stocks have declined from \$24.6 billion in 1949 to a low of \$13.97 billion on August 31 of this year. This is a \$1 billion outflow in the last 6 months alone.

Of course, many factors are responsible for this deplorable situation. But one of the most important has been the nature and extent of our foreign aid operations. Many of the nations that we were so generous in helping are now repaying us by helping themselves to our gold stocks. The most notable example is France. She has received close to \$10 billion in postwar U.S. aid. She has refused to honor her World War I debt to us of over \$6 billion and we have not pressed the claim. But now she is taking the lead in converting her dollar holdings into gold from our stocks.

We have heard in recent testimony by high administration witnesses that as much as 85 percent of new AID commitments are now tied to U.S. goods and services and therefore not adversely affecting our balance-of-payments situation. But there are several things wrong with that figure.

In the first place, it is based only on AID operations. What about the billions of other U.S. assistance in one form or another? That percentage does not necessarily apply, for example, to the programs of the Inter-American Development Bank, or the World Bank, or particularly the International Development Association. In some cases, it is impossible to tie these expenditures to U.S. goods and services.

This is particularly important when we realize that section 205 of the authorization act permits up to 20 percent of title I money for development lending to be made available for the use of the World Bank and its affiliates.

Finally, this claim that most foreign aid expenditures are earmarked for U.S. procurement is less than fully candid. During recent congressional hearings administration witnesses have conceded that many foreign aid projects are of a type involving primarily payments for local labor and materials in the country aided. In such cases, the dollars cannot be spent here, of course; they may be put in a special fund and supposedly used subsequently for the purchase of American goods.

Here is the catch in that arrangement. The foreign countries tend to buy with those aid dollars the products that they would have bought from this country anyway. In that way, other U.S. dollars they have are freed for use in paying for purchases from Europe or other sources.

It seems incredible that we should have to be considering proposals to penalize the American tourist abroad, and choke off worthwhile investments overseas by American business corporations, while we make virtually no effort to stanch the massive hemorrhage of our gold represented by this foreign aid program.

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The diversion of our money into a multilateral lending program as provided for in the Authorization Act has other undesirable consequences also. Besides being freed from the tie to U.S. procurement, it would also be freed from the Hickenlooper amendment—section 620 (e)—for the protection of the U.S. investor abroad against expropriation. It would not be subject to policy directives as to restrictions on aid to Cuba. It would not be subject to other restrictions such as cargo preference. But most important, it would not be subject to congressional review.

An area in which the administration can help to relieve the balance-of-payments situation is in the use of the U.S.-owned foreign currencies, most of which were generated under the Public Law 480 program. As of the end of last year we held almost \$3 billion in so-called soft currencies. While there has been a feeble attempt to make these moneys available to U.S. tourists and others who may have a requirement for them, it has been a miserable failure so far, with only \$2 million being converted for use to date. Several Government Accounting Office recommendations have been made as to the possible use of these currencies. The Authorization Act incorporated some into law. It is my hope that these provisions will now be effectively carried out.

Mr. President, in conclusion, I want to state that while I will support sensible foreign aid programs that advance U.S. foreign policy and commercial interests, I cannot in good conscience support this bill. Recently, a special commission established to study the role of private enterprise in foreign aid made its report. This report contains several recommendations, which, if effected, could have a significant impact on foreign aid programs. It is my hope these recommendations will be implemented.

Mr. PASTORE. Mr. President, I yield 5 minutes on the bill to the Senator from South Dakota.

DAC COUNTRIES INCREASING AID TO UNDER-DEVELOPED NATIONS

Mr. McGOVERN. Mr. President, one of the principal aims of U.S. foreign policy in recent years has been to persuade other more prosperous countries to share more equitably in the task of providing assistance to the underdeveloped world.

Presidents Kennedy and Johnson have given strong support to this policy. Members of both Houses of the Congress, from both sides of the aisle, have been explicit in their belief that this country has been bearing a disproportionate share of the aid burden.

No one would argue that we should not have carried the full responsibility in the years following World War II. But our earlier job of rebuilding Western Europe and Japan has now been successfully completed. As we turn to the job of long-term assistance to the developing nations of Latin America, Asia, and Africa, the countries of Western Europe and Japan are joining with us. But they can and should do more, and we have been working toward that goal.

The progress that has been made has been obscured in the rush of events. It is ironic that amid a deadlock in the House-Senate conference on the foreign aid authorization bill and continuing argument about the program, so little attention was paid to a major success in the field of foreign aid—the ministerial meeting of the Development Assistance Committee—DAC—of the Organization for Economic Cooperation and Development—OECD—held in Paris on July 22-23, 1965.

A most encouraging sign was the increased participation by member nations. The level of attendance was greater than ever before. Cabinet members were present from Britain, Germany, France, Japan, and the Netherlands. Mr. David Bell, the distinguished Administrator of AID, led the American delegation. Mr. George Woods, President of the World Bank, also attended along with high representatives of the International Monetary Fund and the Inter-American Development Bank.

Perhaps most significant of all was the fact that, in contrast to prior years, other DAC members and the World Bank—not the United States—led the discussion of important issues. This is heartening evidence of the increased interest and concern of other free world nations, and a sign that they are recognizing the United States cannot be expected to do the job alone.

However, the results of the meeting represent a signal success for U.S. policy.

SOFTER TERMS PLEDGE

A major goal of U.S. policy in recent years has been to induce other nations to provide more aid on softer terms; that is, at lower interest rates, with longer maturities and grace periods.

The United States, as reflected in the Development Loan Fund in 1957 and the Foreign Assistance Act of 1961, has long been a leader in this effort.

A recent study of the Agency for International Development on the subject of "Loan Terms, Debt Burden, and Development," restated the U.S. position with clear analysis and a wealth of factual information.

I have no doubt that this study has a strong impact on some of the decisions taken at the Paris meeting.

The meeting adopted two resolutions, both of which represent a wider application of policies which the United States has strongly advocated to DAC and has practiced in its foreign-aid program.

The first set a specific target for softening loan terms. The target set by the DAC is that 80 percent of each member's aid should be in the form of grants or of loans with at least 25 years' maturity, not over 3 percent interest rate, and an average grace period of 7 years. Softening of terms will be required of Britain, Germany, Japan, Italy, Austria, Portugal, and Canada. The United States and the remaining countries already meet the standards established by the resolution.

The resolution, if followed, can result in a major increase in net inflow of resources to the less-developed countries.

It represents a vindication of congressional and executive branch policy, in asserting U.S. leadership in the field of aid by the example of our own soft terms on development loans, coupled with persuasion of others to bring down their own terms of assistance.

The meeting also was marked by announcements by several nations of concrete steps to soften terms and increase their levels of aid: the Netherlands announced that it was lowering interest rates; Britain repeated its recent announcement, and stated that, despite difficulties at home, it would not cut aid. France, which primarily extends grant-like assistance, has adopted a policy of extending aid beyond the franc zone. Germany has agreed to soften its loan terms, while Japan is taking a strong interest in Asian development, promising to subscribe \$200 million to the capital of the Asian Development Bank. Canada has increased its aid levels and is providing assistance on very soft terms.

This is encouraging progress.

SELF-HELP CONDITIONS STRENGTHENED

The second resolution adopted at the DAC meeting carried forward a principle that has been an integral part of the U.S. aid program since enactment of the Foreign Assistance Act of 1961.

It called on the member nations to relate the level and composition of their assistance to the performance of the recipient countries. This means that other donor countries are pledged to follow the lead of the United States in measuring the self-help efforts of the recipient countries—in terms of how much of their money the recipients are putting up, the effectiveness with which a country is mobilizing its own economy, labor force, tax structure in support of development, and the encouragement which a country gives to private enterprise.

We have learned from our own experience that aid from the outside can only do a small part of the job. The real effort must come from the people and the government of the recipient nation. AID which is conditioned upon and related to what is done by the recipient is most effective—in fact, it is the only kind of aid that will succeed.

The DAC resolution thus marks a major step, by the donor nations, to increase the effectiveness and impact of their aid.

CONCERN OVER PROGRESS OF DEVELOPMENT—NEED FOR MORE AID

Mr. Woods, of the World Bank, the Ministers from Great Britain and the Netherlands, and the American Chairman of DAC, Dr. Willard Thorp, expressed great concern over the lagging growth rate of the developing countries at the midpoint in the U.N. decade of development. They underlined many serious problems such as declining export receipts, growing debt service liabilities, rising population, and need for greater self-help efforts. They expressed equal concern over the failure of total net official aid from the DAC countries—including the United States—to rise above a 4-year plateau of about \$6 billion per year. Mr. Woods stated his deep

conviction that the present volume of aid was wholly inadequate. He expressed the World Bank's view that the developing countries are increasing their capacity to employ foreign resources effectively and could productively use \$3 to \$4 billion annually in aid above present levels between now and 1970.

Mr. Woods, in his address to the meeting on July 22, spelled out the problem and pointed out that the flow of assistance to the developing countries has actually been declining. He said:

The total net official flow of long-term capital from the DAC countries has remained at about the same level since 1961. This is despite a rise in GNP of the industrialized countries, over that period, at a rate of about 4 to 5 percent annually—in other words, by perhaps \$40 billion a year—with the result that the constant amount of net official aid represents a declining percentage of the aid-givers' national income. Similarly, there has been no significant increase in the total annual net flow of public and private financial resources from the DAC countries to the developing world, a flow which has in recent years remained about \$9 billion. This amounts to about nine-tenths of 1 percent of the GNP of those countries. However, if receipts of profits, dividends and interest are taken into account, the annual net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their GNP. And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year.

Mr. Woods also issued a stern warning to the more fortunate nations:

A preliminary Bank inquiry based, for each country, on the judgment of the Bank's country specialist and area economist, suggests that between now and 1970 the less-developed countries might productively use an additional \$3 to \$4 billion a year. I myself see little point in arguing about precise figures, since although analyses and estimates of the developing countries' needs for external capital are a necessary background for decision, in the end the amount of aid which will be made available will be determined by practical and political realities. What I want to make clear, however, is my deep conviction that the present level of finance is wholly inadequate, whether measured by the growth rate which the advanced countries say they are willing to facilitate or in terms of the amount of external capital which the developing countries have demonstrated they can use effectively. The whole order of magnitude of external capital flows to the developing countries wants changing. If, to achieve that, we need to change political climates—in the industrialized countries, to permit a much greater flow of official capital, and in the developing countries, to encourage a much greater private investment from abroad—then ways of doing so must be explored, must be agreed upon, and must be implemented.

The case cannot be stated more effectively. And I know of no man more qualified than the distinguished president of the World Bank who was formerly a leading figure in American finance.

These are not the words of a dreamer; these are the words of a tough analyst and practical businessman. I urge all my colleagues to read his thoughtful address.

In view of the importance of Mr. Woods' address to the DAC meeting, I ask unanimous consent that it be printed

in full at the conclusion of my remarks, as well as a perceptive report of the meeting by Mr. Felix Belair, Jr., distinguished journalist of the New York Times.

The PRESIDING OFFICER. Without objection, it is so ordered.
(See exhibit 1.)

RESULT: MORE EQUITABLE SHARING, GREATER CHANCE OF SUCCESS

Mr. MCGOVERN. Mr. President, I hope that the news of our success can come to the attention of more Americans. For they would see that amid the controversy and, yes, even distortion about the subject of foreign aid, a great deal is being done. They would see that the United States has developed a coherent, effective policy—one that is gaining greater support throughout the free world.

We have recognized the responsibilities of leadership in the field of foreign aid, as we have in so many areas of international affairs. We have developed an intelligent policy, one that is showing results.

But at the root of this policy is a recognition that other more fortunate nations must join with us; and that these nations must shape their own aid programs on the basis of sound development of principles such as softer terms and self-help.

Although little noted at the time, the recent Ministerial Meeting of the Development Assistance Committee marked a major success for U.S. policy and a major step forward in the efforts of free men everywhere to offer, in the words of President Johnson:

Strength to those who would be free;
Hope for those who would otherwise despair;
Progress for those who would help themselves.

All Americans can be proud of our leadership and be encouraged by our success, as reflected in the recent meeting in Paris.

EXHIBIT 1

STATEMENT OF MR. GEORGE D. WOODS, PRESIDENT OF THE WORLD BANK GROUP, TO THE MINISTERIAL MEETING OF THE DEVELOPMENT ASSISTANCE COMMITTEE, PARIS, JULY 22, 1965

Mr. Chairman, I should like to join, enthusiastically, in the commendations which have been extended to the Chairman's report and which it so well deserves. The Chairman has lucidly, cogently and comprehensively reported on developments which are of keen interest to all those concerned with economic progress. I am sure that the document will be immensely useful not only as a record of the past year, but as a focus for the discussion of the very serious issues which face this meeting.

When I say that this meeting faces some very serious issues, I am not speaking lightly. For I firmly believe that unless the countries represented here take some bold decisions about the volume and character of development aid—and take those decisions soon—the climate of economic development, which by and large has been reasonably good, is going to change markedly for the worse. And by "decisions," I do not mean speeches or resolutions, I mean actions.

If we look around the world at what has happened recently, the record indicates that the GNP of the developing countries increased in 1963 and 1964 at about 4 to 5 percent, or perhaps 2 percent per capita. This growth was in large part achieved by reason of

the rise, during 1963 and 1964, in the prices of the developing countries' exports—a useful reminder of the essential role which trade plays in the whole development business. Unfortunately, in the latter months of 1964, the prices of agricultural primary products began to weaken and in the case of some of these products—particularly cocoa, sugar, and coffee—the decline has been precipitous.

In some important individual countries, we can see some cheering examples of progress, often achieved in the face of serious obstacles, both economic and political. On the side of the aid givers, too, there have been some favorable developments over the past year. There has been evolving a healthy disposition to concentrate attention on those countries which have performed satisfactorily and which have been following sound economic, financial, and development policies. As the Chairman's report notes, there appears now to be a greater readiness to coordinate aid, both its objectives and its terms, in the interest of increasing its impact. Although some of the established consortia and consultative groups have been more effective than others in achieving such coordination, on the whole I am convinced that these mechanisms can and will prove to be an instrument, enabling aid givers to assess the potential performance and needs of the recipient countries, to adapt the character and terms of aid to those countries' requirements, and to identify development priorities. As you know, the Bank has decided to step up substantially its own coordinating activities. We have in mind the organization of five or six new consultative groups within a matter of months and we have been in touch with a number of governments represented here to ascertain their willingness to join in these endeavors. We shall soon be sending to governments notification of our plan to convene a high-level meeting at the time of the Bank's annual meeting. We expect to set in train at that time the formation of new groups for those countries for which priority attention is appropriate. We also intend that the work of the consultative groups already organized by the Bank will be intensified.

So much for some of the highlights on the asset side of the ledger. It would not have been fair to paint a picture which ignored the significant progress which is being made on many fronts. But what I really want to emphasize here are the serious problems which confront those whose business is development finance.

Many of the less developed countries themselves have the power, if they have the will, to overcome particular difficulties or to change particular circumstances which slow down their economic growth—continuing political instability which forecloses effective development even with official funds, and completely discourages the flow of all-important private investments; excessive administrative or defense expenditures, which preempt already limited resources without contributing to economic growth; unrealistic exchange rates; and so on. Each of our could draw up the list.

But this is not the forum in which to concentrate on the deficiencies of the less-developed countries. We are considering here how to make our own performance, as aid givers, more effective. Since it is fashionable nowadays to talk of a "gap," let me use that term to describe a situation which seems to me of growing concern as we judge our performance. That is the variance, the very marked variance, between what the developed countries—the DAC countries, if you will—say about development and what they do about it. Unless that gap is narrowed and quickly narrowed, I believe that what lies ahead is an inevitable and a heart-breaking slowdown in economic development and even in international trade.

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UNCTAD debates and resolutions are a rich source of official assurances that economic development is at the forefront of the advanced countries' political concerns, and of agreement in principle that they should provide enough assistance to enable the less-developed world gradually to achieve more satisfactory standards of living. These assurances of help to the developing countries for the realization of their development potential are always made, I know, in all sincerity. But if we look at the figures, we find that in fact aid is now on a plateau. The total net official flow of long-term capital from the DAC countries has remained at about the same level since 1961. This is despite a rise in gross national product of the industrialized countries, over that period, at a rate of about 4 to 5 percent annually—in other words, by perhaps \$40 billion a year—with the result that the constant amount of net official aid represents a declining percentage of the aid givers' national income. Similarly, there has been no significant increase in the total annual net flow of public and private financial resources from the DAC countries to the developing world, a flow which has in recent years remained about \$9 billion. This amounts to about nine-tenths of 1 percent of the gross national product of those countries. However, if receipts of profits, dividends, and interest are taken into account, the annual net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their gross national product. And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year.

While the amount of external finance has tended to remain static, the capacity of the developing countries to make productive use of resources has not. Despite differences in performance of individual countries, the absorptive capacity of the developing countries has been steadily expanding as their institutional structures become more firmly established, as education and skills become more widespread, as administrative and managerial abilities improve and as project preparation becomes more effective. While agreement is quite general, I believe, that absorptive capacity can be expected to continue its growth—and probably at a faster rate than has prevailed up to now—there are, as the Chairman's report notes, widely ranging estimates of the figures for external aid requirements into which that capacity should be translated. A preliminary Bank inquiry based, for each country, on the judgment of the Bank's country specialists and area economists, suggests that between now and 1970 the less-developed countries might productively use an additional \$3 to \$4 billion a year.

I myself see little point in arguing about precise figures, since although analyses and estimates of the developing countries' needs for external capital are a necessary background for decision, in the end the amount of aid which will be made available will be determined by practical and political realities. What I want to make clear, however, is my deep conviction that the present level of finance is wholly inadequate, whether measured by the growth rate which the advanced countries say they are willing to facilitate or in terms of the amount of external capital which the developing countries have demonstrated they can use effectively. The whole order of magnitude of external capital flows to the developing countries wants changing. If, to achieve that, we need to change political climates—in the industrialized countries, to permit a much greater flow of official capital, and in the developing countries, to encourage a much greater flow of private investment from abroad—then ways

of doing so must be explored, must be agreed upon, and must be implemented.

I suggest, in addition, the desirability of a new perspective on the part of donor countries. The less developed countries are urged to plan their development for a reasonable period ahead. Since every development program necessarily assumes some measure of finance from abroad, the realism of a national development plan would be greatly enhanced, and therefore the likelihood of its achievement greatly facilitated, if the country in question could formulate its program with some broad notion of the amount of finance which might be extended over the plan period. This would require the donor countries themselves to take a long-term view, agreeing for planning purposes on assistance targets over perhaps a 3- or 5-year period, for at least those developing countries which are recipients of major amounts of aid. These targets would, of course, not be firm or irrevocable commitments. Not only would they be subject, on the part of the donors, to yearly legislative authorization, but the availability of the amounts projected would in every case depend upon convincing demonstration, in annual reviews, that the recipient country's economic performance had been satisfactory.

Orderly development would be immensely facilitated, too, if the developing countries could have some measure of assurance that their development programs will not be disrupted by sharp declines in export earnings due to unpredictable fluctuations in commodity prices. We are studying what contribution the Bank and IDA might make in this connection pursuant to the UNCTAD resolution on the United Kingdom/Swedish proposal for supplementary financing, and I hope we may have some proposals to put forward on this matter this fall.

Let me turn now to the question of the terms of aid—a problem, as the Chairman's report notes, which is inseparably linked to the magnitude of aid. While the capacity to use foreign capital has been growing and will continue to grow, the ability of many developing countries to service additional external debt on conventional terms is declining. You are all familiar with the relevant data, but they bear repeating.

Present total external public debt—long and short term—of the developing countries as a group, is estimated at about \$33 billion, and amortization and interest payments on this debt may be as high as \$3.5 billion a year. This debt amounts to about 15 percent of the combined GNP of the developing countries. Service charges on it have been rising by more than 10 percent per year, despite a few important rescheduling operations, and they now amount to about 12 percent of the developing countries' total export earnings. These levels of debt service are dangerously high. They mean that a good deal of the proceeds of new loans must be devoted to servicing previously contracted obligations, rather than being invested in new productive development. Indeed, when all service and dividend payments on both public debt and private investment are taken into account, the backflow from the developing countries offsets about half the entire gross capital inflow which these countries receive from all sources.

Notwithstanding these facts and despite the general recognition of the importance of relating aid to the circumstances of recipient countries, there has been overall only a modest improvement in the terms of aid. A recent study by the U.S. Government has, indeed, noted that there has been a steady hardening of the terms of U.S. assistance—a shift in emphasis from grants to loans and from loans repayable in local currency to loans repayable in dollars, together with an increase in the minimum interest rate on dollar-repayable loans. Other aid-giving countries, which previously offered aid on

terms much harder than those of the United States, have softened those terms somewhat, but not yet sufficiently—on average, they do not yet approach even the hardened U.S. terms. The problem of aid-tying, as the report of the Chairman notes, remains a serious and a difficult one. As we all know, the harder the terms of lending, the larger will be the amount of gross capital transfers necessary to assure a given net transfer of resources, and the longer it will take for the developing world to be assured of the gradual but steady growth which the DAC members have in principle undertaken to assist. The recent announcement of the United Kingdom that it will make long-term development loans free of interest or management charges to selected developing countries reflects a commendably long-range view, all the more to be applauded because it has been taken by a country which is itself confronted by difficult and pressing problems in its own economy. We can only hope that this policy will prove a lodestar for other countries.

If the considerations I have mentioned are taken together—the leveling-off of aid notwithstanding the increasing absorptive capacity of recipient countries, the tendency toward a hardening of aid terms notwithstanding the increasing magnitude of the debt burden—and if they are viewed against the background of a certain boredom, at the least, and disillusionment, at the worst, with the subject of development finance in most of the countries represented here, you can see why I am so concerned about the prospects for economic development. You can see, too, why I consider it so urgent that the governments represented at this meeting should take a firm decision to reverse recent trends, not only by very substantially increasing the amount of their aid but also, and importantly, by making an even larger proportion of it available on very easy terms.

This brings me logically and, I daresay, not unexpectedly, to a more parochial and institutional point. Governments have at hand a ready vehicle for avoiding the threatened slow-down of economic development and for moving in the direction of the objectives subscribed to at the 1964 UNCTAD Conference—I refer to the forthcoming IDA replenishment. The amount of that replenishment is of course a matter for the collective judgment of governments. But there is no doubt that there are useful, productive and high priority opportunities which would enable IDA to invest at a rate several times that permitted by the resources which have been available to it up to now.

There are a number of advantages to investing in development through IDA. It is devoted to encouraging countries to follow appropriate economic policies. Its credits are used to finance only those projects and programs which are soundly conceived and which can be efficiently executed. IDA's financing terms are concessionary, but no concessions are made in the project standards which it applies. Through IDA, the aid-giving countries can achieve their objectives—and here I quote from papers before this meeting—of "relating the financial terms and the appropriate mix of hard loans and soft loans or grants on a case-by-case basis to the circumstances of each underdeveloped country or group of countries, of seeking greater comparability among contributing countries in the terms and conditions of aid, and of achieving further overall softening of terms." The DAC countries have recognized the desirability of keeping the tying of bilateral aid to the minimum consistent with political and balance of payments considerations. Aid extended through IDA is freed of procurement restrictions—to the full extent of the amount contributed, automatically and, most important of all, by simultaneous and concerted action of all the contributing countries. IDA thus not only

affords a means of making untied aid politically more palatable but it assures that the funds provided will buy the greatest amount of development.

In saying this, I recognize that I may not be wholly free of institutional bias, but I am convinced, after some years of experience, that it is development finance provided through multilateral channels and invested solely on the basis of economic considerations which proves in the long run most beneficial to developing and developed countries alike.

[From the New York Times, Aug. 4, 1965]
DONOR NATIONS SEEN SPURRING AID TO
UNDERDEVELOPED LANDS
(By Felix Belair, Jr.)

WASHINGTON, August 3.—A major advance that may reverse the present slowdown in economic development aid to underdeveloped areas was observed by officials today in several little-noted decisions of the 14 leading donor nations.

Resolutions adopted by the Development Assistance Committee of the Organization of Economic Cooperation and Development pledged member countries to provide at least 1 percent of their national incomes for development grants and loans.

Terms and conditions would be more lenient than a majority of them now provide for such assistance.

In addition to working toward increased aid, the committee established late last month as a goal, to be realized in 3 years, that 80 percent of all government aid should be provided as grants or as loans maturing in 25 years or more.

The loans would bear interest at 3 percent or less and would have an interest-free grace period of at least 7 years.

ADDITIONAL \$1 BILLION AVAILABLE

Foreign aid officials said the easier average terms, if applied to the present level of aid to the non-Communist world, would make an additional \$1 billion for development financing.

The action followed a warning by George D. Woods, president of the World Bank, to the ministerial delegates that underdeveloped countries could "productively use" from \$3 to \$4 billion a year more than the \$6 billion now being provided by donor governments.

Unless a major part of this existing gap is abridged and on "very easy terms," Mr. Woods said, "I believe that what lies ahead is an inevitable and a heartbreaking slowdown in economic development and even in international trade."

U.S. participants regarded Mr. Wood's talk as the strongest speech ever delivered on the subject by the head of an international institution.

Mr. Woods observed that while the committee members had long since adopted the goal of 1 percent of gross national product in development aid, their long-term capital contributions had remained constant at about \$6 billion since 1961.

This plateau of official aid had prevailed, he said, despite a rise in the gross national product of industrialized countries of 4 to 5 percent annually, or about \$40 billion a year—"with the result that the constant amount of net official aid represents a declining percentage of the aid-givers' national income."

FLOW OF RESOURCES STATIC

"Neither had there been any significant increase in the total annual net flow of public and private financial resources from the D.A.C. [Development Assistance Committee] country to the developing world, a flow which has in recent years remained about \$9 billion," Mr. Woods went on.

"This amounts to about nine-tenths of 1 percent of the G.N.P. (gross national product) of those countries," he continued. "However, if receipts of profits, dividends

and interest are taken into account, the amount net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their G.N.P.

"And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year," he noted.

To hammer home the need for a larger volume of economic aid, Mr. Woods asserted that developing countries as a group now had a total external public debt—long- and short-term—of about \$33 billion, on which amortization and interest payments ran as much as \$3.5 billion a year.

SERVICE CHARGES RISING

This was about 15 percent of the combined gross product of the developing countries. Service charges on it had been rising by more than 10 percent a year and were now about 12 percent of the export earnings of the developing countries.

"These levels of debt service are dangerously high," said Mr. Woods. "They mean that a good deal of the proceeds of new loans must be devoted to servicing previously contracted obligation, rather than being invested in new productive development."

"Indeed, when all service and dividend payments on both public debt and private investment are taken into account, the backflow from the developing countries offsets about half the entire gross capital inflow which these countries receive from all sources."

Despite Mr. Woods' dismal portrayal, U.S. officials found encouragement in the fact that the international body was able to take decisions at the ministerial level on new and higher goals for the development effort.

FURTHER REVISION SEEN

The resolution contemplates a further upward revision of goals after 3 years in the light of progress made by that time. The more liberal terms and conditions to which member countries pledged their support at the Paris meeting will have little effect on the United States effort in aiding developing countries. Minimum terms provided by the Agency for International Development include 40-year maturities, a 2½ percent interest rate and a 10-year grace period at 1 percent.

Thus the United States is well within the DAC target. Some member countries provide easier terms and some much harder than those now proposed. The weighted average terms for all DAC members excluding the United States include 16 years maturity, 4.8 percent interest and a 3-year grace period.

Within that weighted average, however, Germany's development loans have an average maturity of 18.1 years, a 3.9 percent interest rate and a grace period of 4.5 years. Italy requires an average maturity of 9.5 years and an interest rate of 4.77 percent. Japan provides an average maturity of 9.7 years and interest rate of 5.9 percent.

All three countries told the Paris meeting that the more liberal terms posed serious difficulties for them, but they voted for the resolution. Japan said its acceptance of the more liberal terms would mean a reduced volume of development lending and was advised that this would be preferable to its present terms.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. COTTON. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass? The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT (when his name was called). Present.

Mr. MORTON (when his name was called). Present.

The rollcall was concluded.

Mr. DIRKSEN. Mr. President, I heard the clerk announce that two Senators had voted "present," whoever they are.

The VICE PRESIDENT. The Senator is correct.

Mr. DIRKSEN. I am not aware that there is a rule of the Senate under which a vote of "present" can be cast.

The VICE PRESIDENT. The Senator's point refers to rule XII of the Standing Rules of the Senate, which the Chair will read:

When the yeas and nays are ordered, the names of Senators shall be called alphabetically; and each Senator shall, without debate, declare his assent or dissent to the question, unless excused by the Senate; and no Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote.

The other portion of the rule which applies in the circumstances states:

When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator for the reasons assigned by him, be excused from voting?" which shall be decided without debate; and these proceedings shall be had after the rollcall and before the result is announced; and any further proceedings in reference thereto shall be after such announcement.

I believe those are the provisions of the rule which apply to the Senator's inquiry.

Mr. DIRKSEN. I must assert, on the basis of the rule, that unless a Senator is excused, he is required to vote; and that the Senate cannot entertain a vote of "present" without an excuse.

The VICE PRESIDENT. The rule would so provide, unless a Senator wishes to assign reasons for his unwillingness to assent or dissent; then the Senate will have to vote as to whether or not to excuse the Senator from his responsibility of voting.

Mr. DIRKSEN. I raise the question only in the interest of the integrity of the rules of the Senate.

The VICE PRESIDENT. The Senator's question is well raised. The rule is that a Senator must either vote "yea" or "nay" or ask to be excused from voting. To be excused he must assign reasons, and the Senate must vote on that question.

Mr. FULBRIGHT. Mr. President, I am prepared to state the reasons why I voted "present." After conferring with

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the Parliamentarian, I was informed that it was perfectly proper to vote "present" unless a Member of the Senate wished to raise a question; if not, my action would be accepted by the Senate. But the Senator from Illinois [Mr. DIRKSEN] has quite properly raised the question, and I am prepared to offer the reasons why I do not desire to vote.

Mr. RUSSELL of Georgia. Mr. President, is a motion in order that Senators may be permitted to vote "present"?

The VICE PRESIDENT. No; such a motion is not in order until such time as a Senator who seeks to vote "present" assigns his reasons; and then the question is, "Shall the Senator, for the reasons assigned by him, be excused from voting?"

Mr. RUSSELL of Georgia. Does the Chair rule that a Senator is compelled to state his reason for not voting?

The VICE PRESIDENT. The rule so requires.

Mr. RUSSELL of Georgia. I was of the opinion that the Senate could, without prolonged discussion, permit a Senator to vote "present" if he desired to do so, and could grant that permission by a vote. I think there is a precedent for that in the passage of the original Social Security Act of 1935.

Mr. FULBRIGHT. Mr. President, I am prepared, within the course of 3 or 4 minutes, to state my reasons. The Senate may then vote. But it must vote without debate. As I understand, according to the rule, there can be no debate on the question.

The VICE PRESIDENT. The Senator is correct.

Mr. FULBRIGHT. I am prepared to state my reasons, if that is the order of the Chair.

The VICE PRESIDENT. The Senator may ask to be excused, and the Senate can reach its decision upon that request; or the Senator may assign his reasons.

Mr. MORTON. Mr. President, I am one of the two Senators who voted "present." I know that the Senate does not want to be delayed, so I ask that I be recorded as voting "nay."

Mr. FULBRIGHT. Mr. President, I ask to be excused from voting.

I have decided to vote "present" on the foreign assistance appropriation bill for fiscal year 1966. I do so not because of the provisions of the appropriation bill, although there are features of it which I think could be improved, but primarily because of the failure of the Congress this year to give the foreign aid program a new philosophy and direction.

Over the past year and longer I have made the best case I could for three major reforms in the foreign aid program. I have recommended; first, that the funds be authorized on a long-term basis so as to permit orderly economic planning in recipient countries; second, that economic and military assistance, which in fact are separate programs serving different purposes, be governed by both separate legislation and separate administration; third, and most important, that increasing amounts of U.S. development lending be channeled

through such international bodies as the International Development Agency of the World Bank.

I have repeatedly stated my reasons for believing that an increasing portion of the U.S. development lending be administered by international agencies. The essence of the case for multilateralization is the need to put foreign aid on a more objective and businesslike basis. It is inherent and all but inevitable in aid programs that the relationship between donor and recipient will be marked by constant suspicion of irrelevant political pressures on the part of the recipient and a no less corrosive feeling on the part of the donor as to the ingratitude of the recipient. The administration of aid by international agencies which have no interest except economic development can remove the destructive elements of suspicion, resentment, and anger from the programs by which the rich nations help the poor nations. I am confident that fewer libraries will be burned and embassies stoned if this change can be made.

I have not insisted that all of the three reforms which I have described be realized this year, but it did seem to me reasonable that some progress be made toward the realization of one or more of these changes. The Senate adopted an authorization measure providing for a 2-year authorization and granting the President authority to divert up to 15 percent of development loan funds to international agencies. This seemed to me a reasonable compromise representing modest progress toward reform of the program. After an extended deadlock for several weeks in conference, however, the Senate conferees were forced to yield to their colleagues from the other body who insisted on a single-year authorization. Also lost in conference was a very wise proposal, initiated by the Senator from Oregon, for a general review of the foreign aid program by a high-level, executive-legislative committee.

There remained the matter of the diversion of development lending funds to international agencies. This authority was disallowed in its entirety by the House appropriations bill as it has been disallowed in previous years. The Senate Appropriations Committee retained the authority but reduced it to 10 percent. I am indeed grateful to my colleagues on the Appropriations Committee for retaining this important provision, albeit at a reduced level. I shall be surprised if it is returned in conference with the other body.

We have thus reached the point where virtually all of the reforms I thought necessary have been abandoned at least for this year. I am hopeful that reasonable progress toward realizing them will be made next year, in which event I shall certainly reconsider my position on this legislation. This year, however, for lack of meaningful progress toward reform, I have decided to vote "present" on the foreign assistance appropriation.

The VICE PRESIDENT. Because this is a matter of import for the record of the Senate and as a precedent, the Chair

wishes first to state the pertinent part of rule XII.

When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which shall be decided without debate—

In terms of the precedent relating to the question posed by the Senator from Georgia [Mr. RUSSELL], the Chair will read from "Senate Procedure," by Charles L. Watkins and Floyd Riddick, page 715, the chapter entitled "Voting," relating to the subject "Excused From Voting." The fourth paragraph under that heading reads:

A motion to excuse Senators from voting is not in order, and a Senator not only has a right but is required to assign his reasons for not voting; but he must confine his statements to those reasons. The question of excusing him is decided by the Senate.

So the question before the Senate, without further debate, is: Shall the Senator, for the reasons assigned by him, be excused from voting? [Putting the question.] The Senator from Arkansas is excused from voting.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. MCINTYRE], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] was present but not voting. The Senator, for reasons stated by him, was excused by the Senate from voting.

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG] would vote "yea".

On this vote, the Senator from Minnesota [Mr. MONDALE] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from New Hampshire [Mr. MCINTYRE] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from New Jersey [Mr. CASE] is detained on official business.

On this vote, the Senator from New Jersey [Mr. CASE] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Massachusetts [Mr. SALTONSTALL] is paired with the Senator from Wyoming [Mr. SIMPSON]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Wyoming would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Minnesota [Mr. MONDALE]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote, the Senator from Arizona [Mr. FANNIN] is paired with the Senator from New Hampshire [Mr. MCINTYRE]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from New Hampshire would vote "yea."

On the question, Shall the bill (H.R. 10871) pass? the yeas and nays resulted—yeas 59, nays 22, as follows:

[No. 274 Leg.]

YEAS—59

| | | |
|--------------|----------------|----------------|
| Alken | Harris | Metcalf |
| Allott | Hart | Miller |
| Bartlett | Hartke | Monroney |
| Bass | Hayden | Moss |
| Bayh | Hickenlooper | Mundt |
| Boggs | Hill | Muskie |
| Brewster | Holland | Nelson |
| Burdick | Inouye | Pastore |
| Byrd, W. Va. | Jackson | Pell |
| Cannon | Javits | Prouty |
| Carlson | Kennedy, Mass. | Proxmire |
| Church | Kennedy, N.Y. | Randolph |
| Clark | Kuchel | Ribicoff |
| Cooper | Lausche | Smathers |
| Dirksen | Long, Mo. | Smith |
| Dodd | Magnuson | Tydings |
| Dominick | Mansfield | Williams, N.J. |
| Douglas | McGee | Yarborough |
| Fong | McGovern | Young, Ohio |
| Gruening | McNamara | |

NAYS—22

| | | |
|--------------|---------------|----------------|
| Bible | Jordan, Idaho | Stennis |
| Byrd, Va. | McClellan | Symington |
| Cotton | Morse | Talmadge |
| Eastland | Morton | Thurmond |
| Ellender | Murphy | Williams, Del. |
| Ervin | Robertson | Young, N. Dak. |
| Hruska | Russell, S.C. | |
| Jordan, N.C. | Russell, Ga. | |

PRESENT—1

Fulbright

NOT VOTING—18

| | | |
|----------|-----------|-------------|
| Anderson | Long, La. | Pearson |
| Bennett | McCarthy | Saltonstall |
| Case | McIntyre | Scott |
| Curtis | Mondale | Simpson |
| Fannin | Montoya | Sparkman |
| Gore | Neuberger | Tower |

So the bill (H.R. 10871) was passed.

Mr. PASTORE. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. PASTORE, Mr. HAYDEN, Mr. RUSSELL of Georgia, Mr. ELLENDER, Mr. MAGNUSON, Mr. HOLLAND, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, it is not frequent that the foreign aid appropriation bill passes in this body in 1 day's time. It is an important bill. It involves almost \$4 billion. It is vital to the existence of the free world.

Mr. President, it is a very high compliment, indeed, that this body has paid to the senior Senator from Rhode Island [Mr. PASTORE], the exceedingly skillful and knowledgeable manager of this bill, by decisively approving this bill today. It is a thoroughly well-deserved compliment to which I am proud to add an additional commendation in this short statement.

Everyone in this Senate realizes the complexity of the foreign aid appropriation bill, especially the military aid provisions; everyone knows that it can be no great pleasure for the Senator from Rhode Island to assume responsibility for management of the bill. But he does so without shirking. He merits the thanks of this entire body, indeed, the entire Nation, and I join in that vote of thanks.

But, Mr. President, this body thrives on differing views and debate thereon. We saw today a classic example of that debate. It is this factor which makes the acts of the Senate both sensible and deliberative. It is on this basis that we owe an equal vote of thanks to other Senators who proposed and pressed amendments or otherwise participated actively in debate. I refer, with special thanks and congratulations to the able senior Senator from Massachusetts [Mr. SALTONSTALL], the ranking Republican on the Appropriations Committee; to the ever able and articulate senior Senator from Oregon [Mr. MORSE], and the distinguished junior Senator from Alaska [Mr. GRUENING], who, although both harbored serious doubts about certain appropriations, cooperated fully in working on this measure; and to the senior Senator from Louisiana [Mr. ELLENDER] who, thankfully, keeps an especially careful eye on all appropriations.

Others who participated in the debate on this measure and who deserve an equal measure of thanks include the senior Senator from Missouri [Mr. SYMINGTON], the senior Senator from New York [Mr. JAVITS], the senior Senator from Idaho [Mr. CHURCH], the senior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Oklahoma [Mr. HARRIS], and the senior Senator from Florida [Mr. HOLLAND].

It is encouraging to observe the Senate conduct its business in such an efficient and expeditious manner.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 2469. A bill amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans (Rept. No. 773).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 2434. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the lease of a portion of certain real property conveyed to the city of Clarinda, Iowa, for airport purposes (Rept. No. 772).

By Mr. SYMINGTON, from the Committee on Armed Services, without amendment:

H.R. 10616. An act authorizing the disposal of vegetable tannin extracts from the national stockpile (Rept. No. 778);

H.R. 10714. An act to authorize the disposal of colemanite from the supplemental stockpile (Rept. No. 777);

H.R. 10715. An act to authorize the disposal of chemical grade chromite from the supplemental stockpile (Rept. No. 776);

H.R. 10748. An act to authorize the transfer of copper from the national stockpile to the Bureau of the Mint (Rept. No. 775); and H.J. Res. 330. Joint resolution to authorize the disposal of chromium metal, acid grade fluorspar, and silicon carbide from the supplemental stockpile (Rept. No. 774).

By Mr. SYMINGTON, from the Committee on Armed Services, with an amendment:

H.R. 6852. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 47 million pounds of abaca from the national stockpile (Rept. No. 779).

By Mr. SYMINGTON, from the Committee on Armed Services, with amendments:

H.R. 10305. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 124,200,000 pounds of nickel from the national stockpile (Rept. No. 780).

By Mr. RUSSELL of Georgia, from the Committee on Armed Services, with an amendment:

H.R. 7812. An act to authorize the loan of naval vessels to friendly foreign countries, and for other purposes (Rept. No. 781).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

U. Alexis Johnson, of California, a Foreign Service officer of the class of career Ambassador, to be a Deputy Under Secretary of State.

By Mr. JACKSON, from the Committee on Armed Services:

September 23, 1965

Robert A. Brooks, of Massachusetts, to be Assistant Secretary of the Army; and John S. Foster, Jr., of California, to be Director of Defense Research and Engineering.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mrs. SMITH. Mr. President, from the Committee on Armed Services I report favorably the nominations of Vice Adm. Paul D. Stroop, for appointment to the grade of vice admiral on the retired list, and Lt. Comdr. Charles Conrad, Jr., for permanent appointment to the grade of commander. I ask that these names be printed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, placed on the Executive Calendar, are as follows:

Vice Adm. Paul D. Stroop, U.S. Navy, when retired, for appointment to the grade of vice admiral; and

Lt. Comdr. Charles Conrad, Jr., U.S. Navy, for permanent appointment to the grade of commander in the Navy.

Mrs. SMITH. Mr. President, in addition I report favorably 4,880 promotions in the Navy in the grade of captain and below, and 8 promotions in the Marine Corps in the grade of second lieutenant. Since these names have already appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Lynn "W" Adams, and sundry other officers, for promotion in the U.S. Navy;

Kenneth A. Gaines, and sundry other Naval Reserve officers, for assignment in the U.S. Navy;

Glen W. Poore (U.S. Navy retired officer), to be a permanent lieutenant in the line of the Navy, limited duty only;

George A. Danchuck, Jr., and sundry other candidates, for permanent assignment in the Navy;

George R. Fitzgerald, and John C. Maynard (Naval Reserve Officers Training Corps), for permanent assignment in the Marine Corps; and

Ronald L. Czarnecki, and sundry other meritorious noncommissioned officers, for permanent appointment in the Marine Corps.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSS:

S. 2560. A bill for the relief of Dr. Ralph R. Stevenson; to the Committee on the Judiciary.

By Mr. ROBERTSON (by request):

S. 2561. A bill to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to strengthen safeguards against conflicts of interest, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. ROBERTSON when he introduced the above bill, which appear under a separate heading.)

FEDERAL DEPOSIT AND SHARE ACCOUNT INSURANCE ACT OF 1966

Mr. ROBERTSON. Mr. President, I introduce, at the request of the Secretary of the Treasury, a bill to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, and for other purposes, the proposed Federal Deposit and Share Account Insurance Act of 1966. This is a major bill which the affected industries will wish to study with great care and attention. In order to give a full explanation of the bill to these industries and to the public, I ask unanimous consent that the transmittal letter from the Secretary of the Treasury and the Treasury Department's section-by-section analysis of the bill be printed in the Record at this point.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter and analysis will be printed in the Record.

The bill (S. 2561) to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to strengthen safeguards against conflicts of interest, and for other purposes, introduced by Mr. ROBERTSON, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter and analysis presented by Mr. ROBERTSON are as follows:

THE SECRETARY OF THE TREASURY,
Washington.

HON. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "To provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to safeguard against conflicts of interest, and for other purposes." The proposed legislation is similar to a draft bill submitted by this Department to the 88th Congress and introduced as S. 1799. Charges have been made, however, incorporating the results of 2 years additional study and consideration by the concerned agencies. Because the bill is complex and the Congress may wish to give it extensive consideration, I am transmitting it now in the hope that this will afford time for favorable consideration by the current Congress.

The proposed legislation is designed to accomplish two interrelated objectives. First, the maximum insurance coverage for deposit accounts in a commercial or savings bank insured by the Federal Deposit Insurance Corporation, and for share accounts with a savings and loan association insured by the Federal Savings and Loan Insurance Corporation, would be raised from \$10,000 to \$15,000. At the same time, a number of steps would be taken to protect further the safety and liquidity of these financial institutions whose ability to attract funds from the public would be enhanced by the increase in deposit and share insurance coverage, thus bulwarking the stability of the financial system as a whole. These objectives are fully supported by the conclusions of the

Committee on Financial Institutions, which reported to the President on April 9, 1963.

The proposed bill recognizes that deposit and share insurance performs an important role in our financial system, and that increases in the maximum limit for insurance coverage of individual accounts are justified from time to time to assure that the basic purposes of this insurance will continue to be served effectively. These purposes include the preservation of public confidence in those financial institutions responsible for maintaining the bulk of our money supply and for handling most of the liquid savings of our citizens, and particularly in their ability to discharge their responsibility for providing cash to account holders fully and promptly.

Without adequate deposit and share insurance, the failure of even a single institution potentially can seriously disrupt the economy of community and bring individual hardship. Moreover, there would also be a danger that failure, or even the suspicion of failure of one institution might set off contagious and disruptive runs which even fundamentally sound institutions could not readily withstand. Another purpose of deposit and share insurance is to provide families and individuals of moderate means, frequently unable themselves to appraise accurately the soundness of available outlets for their funds, with an opportunity for fully and conveniently protecting their savings.

Clearly, these purposes can be met with full effectiveness only if the maximum limits of deposit and share insurance are high enough to provide full protection for the bulk of all accounts and for a large share of the total liabilities or share capital of the institutions concerned. While judgments may reasonably differ on the precise proportion of accounts and total funds that must be covered to assure an effective insurance program, it seems clear that prudent limits in this respect are not in danger of being breached today. But, it is also clear that maintenance of appropriate relationships may require increases in coverage from time to time in response to such factors as significantly higher price levels or increases in average income or wealth, changes in average deposit or share account balances, and similar factors; and these increases should be made before any critical problem becomes evident. A limit of \$15,000 will be ample to take account of any changes in these factors since the insurance limit was last raised from \$5,000 to \$10,000 in 1950, and will assure maintenance of a level of protection over the foreseeable future clearly adequate by standards of past experience and practice.

However, because of a number of recent events, we are also particularly conscious of the need to introduce measures to strengthen the supervisory framework. These measures are desirable in themselves and would provide needed protection against certain possible dangers associated with an increase in insurance coverage. In particular, pressures to maximize the immediate returns that can be offered to customers, at the expense of liquidity and safety, might be increased by an increase in insurance ceilings since potential large depositors and account holders would then have less incentive for carefully appraising the safety, stability, and investment practices of the institution holding their funds.

The Committee on Financial Institutions urged, and we strongly believe for the preceding reasons, that increases in insurance coverage be considered jointly with complementary action to strengthen the supervisory framework within which these institutions operate, and to enable the responsible Federal authorities to oversee more effectively certain practices with important implications for the safety and liquidity of financial institutions. To this end, the bill would pro-

House of Representatives

THURSDAY, SEPTEMBER 30, 1965

The House met at 12 o'clock noon.
Dr. Josef Nordenhaug, general secretary of the Baptist World Alliance, offered the following prayer:

Psalm 143: 8: Let me hear in the morning of Thy steadfast love, for in Thee I put my trust. Teach me the way I should go, for to Thee I lift up my soul.
Let us pray:

Almighty God, we thank Thee that the way to Thee is open. Give us now an awareness of Thy presence, and faith to respond to Thy beckoning.

We declare our utter dependence on Thee and confess our failures and limitations. We seek Thy forgiveness for the past and resources for the obligations of the future.

We do not shrink back from the burdens of this turbulent age, but are grateful that Thou hast matched us with this hour.

We intercede for our Nation and all the peoples of the earth. Guide us by Thy Spirit to find the way of peace and righteousness and to walk in it.

May the peace of God guard our hearts and minds through Christ Jesus. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of President approved and signed bills and a joint resolution of the House of the following titles:

On September 14, 1965:

H.R. 4465. An act to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia.

On September 15, 1965:

H.R. 1443. An act for the relief of Mrs. Olga Bernice Bramson Gillilan;
H.R. 1627. An act for the relief of Esterina Ricupero;

H.R. 1820. An act for the relief of Winsome Elaine Gordon;

H.R. 2678. An act for the relief of Joo Yul Kim;

H.R. 2871. An act for the relief of Dorota Zytka;

H.R. 3292. An act for the relief of Consuelo Alvarado de Corpus;

H.R. 5024. An act to amend titles 10 and 14, United States Code, and the Military Personnel and Civilian Employees' Claims Act of 1964, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees of the United States for damage to, or loss of, personal property incident to their

service, and for other purposes;

H.R. 6719. An act for the relief of Mrs. Kazuyo Watanabe Ridgely; and

H.R. 9570. An act to amend the Federal Firearms Act to authorize the Secretary of the Treasury to relieve applicants from certain provisions of the act if he determines that the granting of relief would not be contrary to the public interest, and that the applicant would not be likely to conduct his operations in an unlawful manner.

On September 16, 1965:

H.R. 10775. An act to authorize certain construction at military installations, and for other purposes.

On September 17, 1965:

H.R. 725. An act to clarify the responsibility for marking of obstructions in navigable waters;

H.R. 727. An act to provide for the administration of the Coast Guard Band; and

H.R. 1402. An act for the relief of Dr. Jorge Rosendo Barahona.

On September 21, 1965:

H.R. 2305. An act for the relief of Zenaida Quijano Lazaro;

H.R. 3039. An act to amend 1006 of title 37, United States Code, to authorize the Secretary concerned, under certain conditions, to make payment of pay and allowances to members of an armed force under his jurisdiction before the end of the pay period for which such payment is due;

H.R. 5989. An act to amend section 27, Merchant Marine Act of 1920, as amended (46 U.S.C. 883); and

H.R. 8351. An act for the relief of Clarence L. Aiu and others.

On September 22, 1965:

H.R. 8027. An act to provide assistance in training State and local law enforcement officers and other personnel, and in improving capabilities, techniques, and practices in State and local law enforcement and prevention and control of crime, and for other purposes;

H.R. 8333. An act to amend title 10, United States Code, to provide for the establishment of a program of cash awards for suggestions, inventions, or scientific achievements by members of the Armed Forces which contribute to the efficiency, economy, or other improvement of Government operations; and

H.R. 10586. An act making supplemental appropriations for the Departments of Labor, and Health, Education, and Welfare for the fiscal year ending June 30, 1966, and for other purposes.

On September 25, 1965:

H.R. 1892. An act for the relief of M. Sgt. Richard G. Smith, U.S. Air Force, retired;

H.R. 7779. An act to provide for the retirement of enlisted members of the Coast Guard Reserve;

H.R. 8761. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service;

H.R. 10323. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1966, and for other purposes; and

H.J. Res. 504. Joint resolution to facilitate the admission into the United States of certain aliens.

On September 27, 1965:

H.R. 6431. An act to amend the Tariff Act of 1930 to provide that certain forms of nickel be admitted free of duty; and

H.R. 8469. An act to provide certain in-

creases in annuities payable from the civil service retirement and disability fund, and for other purposes.

On September 29, 1965:

H.R. 3128. An act for the relief of Angelo Iannuzzi;

H.R. 3684. An act for the relief of Maj. Alexander F. Berol, U.S. Army, retired;

H.R. 8218. An act for the relief of Walter K. Willis;

H.R. 9221. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1966, and for other purposes;

H.R. 10014. An act to amend the act of July 2, 1954, relating to office space in the districts of Members of the House of Representatives, and the act of June 27, 1956, relating to office space in the States of Senators; and

H.R. 10874. An act to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to eliminate certain provisions which reduce spouses' annuities, to provide coverage for tips, to increase the base on which railroad retirement benefits and taxes are computed, and to change the railroad retirement tax rates.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 596. An act to amend the Public Health Service Act to assist in combating heart disease, cancer, and stroke, and other major diseases.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the joint select committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 66-6.

FOREIGN ASSISTANCE APPROPRIATION ACT, 1966

Mr. WHITTEN. Mr. Speaker, on behalf of the gentleman from Louisiana [Mr. PASSMAN], I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 10871) the Foreign Assistance and Related Agencies Appropriation Act of 1966.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 1103)

The committee of conference on the disagreeing votes of the two Houses on the

September 30, 1965

which I had the honor to be the author, be included in the bill. I thoroughly agree with the Senator and will be delighted to join him in that total effort.

Mr. DOMINICK. I thank the Senator from New York.

Mr. HILL. I say to my distinguished friend from Colorado that I agree with him wholeheartedly. We should continue to explore the matter, just as the Senator from Colorado has suggested and as the Senator from New York has agreed.

Mr. DOMINICK. I am sure that under the capable leadership of the Senator from Alabama, and with the assistance of the Senator from New York, we can have this done with many programs as we move forward.

Mr. HILL. I thank the Senator.

Mr. JAVITS. If the Senator will yield, I think I have said what I wanted to say. I wanted to make clear that we did what we did about pharmacists because we find it represents a profession in which there is a shortage. I also wanted to trace out the origins of this bill, because the authorization in this measure sounds like a substantial sum of money. I think the Senate is entitled to know the postulate of experience upon which we have based it, that it is not just breaking in here with an untried \$700 million program.

I think, the orders of magnitude having already been established by the actual appropriations in the existing bill. I think the Senate should not feel that at this late hour on a Thursday night we have suddenly come in with some untried big money program. It is most deserving and is the very bedrock of anything in the medical care field to have the professional people needed to do the job. That is exactly what we have been endeavoring to provide through this program.

I should like to reiterate the fact that the Senator from Colorado renders us all a service in alerting us to the private enterprise possibilities, which are enormous in this field, and which we should utilize to the full in every way they can be adapted to fill the need. Thus the Government would only be the backup where it is absolutely necessary.

Mr. HILL. I thank the esteemed Senator from New York for his statement.

I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, I wish to associate myself with the remarks of the Senator from New York, and say that this bill had been carefully considered in the subcommittee and the committee, that we fought long and hard on it, and are delighted with the way it has come out, and also to express my belief that the podiatrists and the pharmacists are also included in this new version of the bill.

Mr. HILL. I express my thanks to the Senator from Rhode Island for the fine help he gave in the consideration and in the reporting of the bill.

Mr. President, I think I should say one word more. I spoke about this bill being passed by an overwhelming vote in the House of Representatives, a vote of 340 to

47, and the fact that it has the support of the administration and the Bureau of the Budget.

It also has the support of the American College of Physicians, the Association of American Medical Colleges, the American Dental Association, the Association of American Dental Schools, the American Nurses Association, the American Association of Colleges of Pharmacy, the American Podiatry Association, the American Hospital Association, the American Public Health Association, the Pharmaceutical Manufacturers Association, the American Osteopathic Association, the American Association of Retail Druggists, the American Pharmaceutical Association, and many individuals and representatives of schools, who have conveyed their strong support of this bill to the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. HILL. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time, and passed.

Mr. HILL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF THE VOCATIONAL REHABILITATION ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 8310.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8310) to amend the Vocational Rehabilitation Act to assist in providing more flexibility in the financing and administration of State rehabilitation programs, and to assist in the expansion and improvement of services and facilities provided under such programs, particularly for the mentally retarded and other groups presenting special vocational rehabilitation problems, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that this bill be made the pending business for tomorrow. There will be no action taken on the measure this evening.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO RECEIVE MESSAGES AND SIGN BILLS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House, and that the Vice President be authorized to sign bills during the adjournment of the Senate until noon, October 1, 1965.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the order previously entered, that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 15 minutes p.m.) the Senate, under the order previously entered, adjourned until tomorrow, Friday, October 1, 1965, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate September 30, 1965:

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. William Henry Sterling Wright, O18129, Army of the United States (major general, U.S. Army).

U.S. MARSHAL

Leonard T. Heckathorn, of South Dakota, to be U.S. marshal for the district of South Dakota for the term of 4 years. (Reappointment.)

U.S. ATTORNEY

H. Moody Brickett, of Montana, to be U.S. attorney for the district of Montana for the term of 4 years. (Reappointment.)

CONFIRMATION

Executive nominations confirmed by the Senate September 30, 1965:

PUBLIC HEALTH SERVICE

William H. Stewart, of Maryland, to be Surgeon General of the Public Health Service for a term of 4 years.

amendments of the Senate to the bill (H.R. 10871) "making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 6, and 8.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 7, and 12; and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$618,225,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 10, and 11.

OTTO E. PASSMAN (except as to amendments 7 and 9),

JOHN J. ROONEY,

WILLIAM H. NATCHER,

JULIA BUTLER HANSEN,

JEFFERY COHELAN,

CLARENCE D. LONG,

GEORGE MAHON,

GARNER E. SHRIVER (except as to amendments 7 and 9),

SILVIO O. CONTE (except as to amendments 7 and 9),

MARK ANDREWS (except as to amendments 7 and 9),

FRANK T. BOW (except as to amendments 7 and 9),

Managers on the Part of the House.

JOHN O. PASTORE,

CARL HAYDEN,

RICHARD B. RUSSELL,

ALLEN J. ELLENDER,

WARREN G. MAGNUSON,

SPENCER L. HOLLAND,

LEVERETT SALTONSTALL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10871) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—FOREIGN ASSISTANCE

Economic assistance

Amendment No. 1—Technical cooperation and development grants: Appropriates \$202,355,000 as proposed by the House instead of \$182,355,000 as proposed by the Senate.

Amendment No. 2—International organizations and programs: Appropriates \$144,755,000 as proposed by the House instead of \$134,755,000 as proposed by the Senate.

Amendment No. 3—Supporting assistance: Appropriates \$369,200,000 as proposed by the House instead of \$349,200,000 as proposed by the Senate.

Amendment No. 4—Alliance for Progress, development loans: Appropriates \$435,125,000 as proposed by the Senate instead of \$445,125,000 as proposed by the House.

Amendment No. 5—Development loans: Appropriates \$618,225,000 instead of \$675,225,000 as proposed by the House and \$593,225,000 as proposed by the Senate.

Amendment No. 6—Development loans: Restores House language which prohibits the transfer of development loan funds to the International Development Association, the World Bank, and the International Finance Corporation, instead of Senate language which would have permitted the transfer of not to exceed 10 per centum of such funds to such multilateral agencies.

Amendment No. 7—General Provisions: Deletes House language relating to North Vietnam.

Amendment No. 8—General Provisions: Restores House language relating to North Vietnam.

Amendment No. 9—General Provisions: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment. The proposed amendment is as follows:

"Sec. 116. No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this Act unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

Amendment No. 10—General Provisions: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts a new general provision—section 117—prohibiting assistance to the United Arab Republic unless the President determines that the availability of such assistance is essential to the national interest of the United States.

Amendment No. 11—General Provisions: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts a new general provision—section 118—prohibiting assistance to Indonesia unless the President determines that the availability of such assistance is essential to the national interest of the United States.

TITLE II—FOREIGN ASSISTANCE (OTHER) Department of Health, Education, and Welfare

Amendment No. 12—Assistance to Refugees in the United States: Appropriates \$30,000,000 as proposed by the Senate instead of \$32,265,000 as proposed by the House.

OTTO E. PASSMAN (except as to amendments Nos. 7 and 9),

JOHN J. ROONEY,

WILLIAM H. NATCHER,

JULIA BUTLER HANSEN,

JEFFERY COHELAN,

CLARENCE D. LONG,

GEORGE MAHON,

GARNER E. SHRIVER (except as to amendments 7 and 9),

SILVIO O. CONTE (except as to amendments 7 and 9),

MARK ANDREWS (except as to amendments 7 and 9),

FRANK T. BOW (except as to amendments 7 and 9),

Managers on the Part of the House.

AMEND TITLE V OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take him from the Speaker's desk the bill (H.R. 9336) to amend title V of the International Claims Settlement Act of 1949 relating to certain claims against the Government of

Cuba, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That section 501 of the International Claims Settlement Act of 1949 (22 U.S.C. 1643) is amended by striking out 'which have arisen out of debts for merchandise furnished or services rendered by nationals of the United States without regard to the date on which such merchandise was furnished or services were rendered or'.

"Sec. 2. Section 503(a) of such Act (22 U.S.C. 1643b(a)) is amended by striking out 'arising out of debts for merchandise furnished or services rendered by nationals of the United States without regard to the date on which such merchandise was furnished or services were rendered or'.

"Sec. 3. Section 505(a) of such Act (22 U.S.C. 1643d) is amended by adding a new sentence at the end thereof as follows: 'A claim under section 503(a) of this title based upon a debt or other obligation owing by any corporation, association, or other entity organized under the laws of the United States, or of any State, the District of Columbia, or the Commonwealth of Puerto Rico shall be considered, only when such debt or other obligation is a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.'

"Sec. 4. Section 506 of such Act (22 U.S.C. 1643e) is amended by striking out: 'Provided, That the deduction of such amounts shall not be construed as divesting the United States of any rights against the Government of Cuba for the amounts so deducted'.

"Sec. 5. Section 511 of such Act (22 U.S.C. 1643j) is amended to read as follows:

"APPROPRIATIONS

"Sec. 511. There are hereby authorized to be appropriated such sums as may be necessary to enable the Commission to pay its administrative expenses incurred in carrying out its functions under this title."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. HALL. Mr. Speaker, reserving the right to object, will the gentleman please explain the Senate amendments?

Mr. FASCELL. If the gentleman will yield, I will be very happy to explain them.

Mr. HALL. I should be glad to yield.

Mr. FASCELL. As you will recall, this bill passed the House earlier without any objection. When it got to the other body three amendments were added. The first amendment pertains to the decisions of the Foreign Claims Settlement Commission. In addition to the written decision, a statement of the evidence relied upon and the reasoning employed in reaching the decision is required.

In the House version that language was not included. The other body decided to put it back in. We felt that a documented explanation of claims determination was actually calling for too much detail, but the other body insisted on it.

Mr. HALL. It really was just a question of having conforming technical language?

Mr. FASCELL. The gentleman is correct. The other matter which is more

substantive had to do with the limitation on the House side on the authorization, not to exceed \$750,000. The Senate removed the limitation and inserted a general authorization. We cannot conceive any reason why the administrative expenses for the program should go beyond \$750,000 to \$1 million. It is our intention that they should not.

Therefore we had no particular objection to the removal of the limitation although I am frank to say that I would much prefer to stay within the limitation.

Mr. HALL. Is the gentleman now advising the House that this is open ended so far as expenses of the Commission are concerned?

Mr. FASCELL. Yes. The authorization limitation has been removed. I should like to say to the gentleman that I am not unduly concerned about that because, as we know, it still has to go through the appropriations process. These are administrative expenses for processing, for personnel, et cetera, which we can keep under careful scrutiny. It is our purpose in the authorization committee to do that.

So, as I say, I am not unduly concerned on that score.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's making that legislative record. We are constantly aware that these authorizations come back to haunt us in the appropriations process. We have to lay one off against the other. We would certainly hope that we never just tacitly agree to open-ended authorizations of appropriation.

Mr. FASCELL. I understand the gentleman's feeling.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. HALL. I am delighted to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Even though the total limitation has been removed, my impression from the colloquy taking place is that those who are administering the program shall be required, according to the words of the gentleman from Florida, to have in effect an administrative ceiling on the handling of this particular program; is that correct?

Mr. FASCELL. The gentleman is correct. I can tell you why this came about. The best estimates on administrative cost ran somewhere between \$750,000 and \$1 million. I think that is the reason that the other body decided to remove the limitation. We had intended to stay within those figures and certainly I should think \$750,000 would be sufficient.

Mr. HALL. Mr. Speaker, I thank the distinguished minority leader for his contribution, and I thank the gentleman for his explanation.

Mr. FASCELL. Mr. Speaker, there is one other amendment to which I might refer. This has to do with creditor claims. Such claims must be evidenced by a charge on the property taken. This was not in the House version because we could not get an agreement as to how creditors could file separate claims. The other body, the executive agencies con-

curring, would allow creditors to file separate claims where that credit was secured by a property interest.

That is what this amendment does. We believe it is a good amendment. Therefore, we ask the House to concur in it.

Mr. Speaker, it is not intended by reference to a takeover date in this legislation to give the Government of Cuba the advantage of any statute of limitations defense not asserted prior to the takeover date.

Furthermore, the amendments are not intended to deprive an American claimant of a legitimate element of its claim and provide a windfall to the Cuban Government. Services rendered or merchandise furnished in intercompany transactions regardless of their late ought to be considered, even though legal steps were not taken to establish these debts and to prevent the running of the statute of limitations. For example, claims based on transactions between an American supply company operating in Cuba through its wholly owned Cuban subsidiary where goods have been delivered over a long period of years prior to 1959 and payment has not been received, nor legal action taken to reduce the debt to judgment or otherwise establish it through judicial proceedings, should be considered by the Foreign Claims Settlement Commission.

Mr. HALL. Mr. Speaker, I certainly thank the gentleman for his explanation. It is entirely satisfactory. But now the House has this information to which we will agree by unanimous consent, although I still have some reservation about the second portion of the amendment which is on open-ended funding. I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CORRECTION OF VOTE

Mr. ST. ONGE. Mr. Speaker, on rollcall No. 388, to recommit the bill H.R. 4644 to provide home rule for the District of Columbia, I am recorded as not voting. I was present and voted "nay." I ask unanimous consent that the permanent Record and the Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

CORRECTION OF VOTE

Mr. ABBITT. Mr. Speaker, on rollcall No. 252 I am recorded as not voting. I was present and voted "aye." I ask unanimous consent that the permanent Record and Journal be corrected accordingly.

The SPEAKER. Is there objection to

the request of the gentleman from Virginia?

There was no objection.

"CANBERRA" WEEK

Mr. BATES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Concurrent Resolution 508, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 508

Whereas the United States ship *Canberra* is the only cruiser in American naval history to bear the name of a foreign city; and

Whereas the United States ship *Canberra* was chosen to be one of the first guided-missile cruisers in the world; and

Whereas the United States ship *Canberra* has been in the service of the United States Navy for over twenty years and established a record of which all Americans can be justly proud; and

Whereas the United States ship *Canberra* is currently in service as part of the effort to stem the tide of Communist aggression; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President is authorized and requested to issue a proclamation setting aside the eight-day period beginning October 10, 1965, as "Canberra Week" in honor of all those who have served, and are serving, the cause of freedom as officers and members of the crew of the United States ship *Canberra*.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MACGREGOR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Minnesota makes the point of order that a quorum is not present. Evidently, a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 340]

| | | |
|----------------|----------------|----------------|
| Anderson, Ill. | Diggs | Morris |
| Andrews | Dorn | Morton |
| George W. | Dow | O'Hara, Ill. |
| Andrews | Duncan, Oreg. | Powell |
| Glenn | Frelinghuysen | Rivers, Alaska |
| Ashley | Goodell | Rivers, S.C. |
| Aspinall | Hagan, Ga. | Robison |
| Biatnik | Hansen, Iowa | Roncallo |
| Bolton | Hardy | Scott |
| Bonner | Hathaway | Sickles |
| Brown, Calif. | Hollifield | Talcott |
| Burton, Utah | Johnson, Okla. | Thomas |
| Carter | Lindsay | Thompson, N.J. |
| Colmer | Long, La. | Toil |
| Daddario | Michel | Wilson, Bob |
| Dawson | Mize | |

The SPEAKER. On this rollcall 384 Members have answered to their names, a quorum.

October 5, 1965

CONGRESSIONAL RECORD — SENATE

25097

I believe it is time to congratulate the Senator from North Carolina.

Mr. JORDAN of North Carolina. I am delighted to inform the distinguished Senator from Kansas that the Senate has accepted it, and it is now up to the President of the United States. I am sure he will sign this legislation.

I thank the distinguished Senator from Florida for his most timely remarks.

I have been a member of the Joint Committee on Libraries for a number of years; and every year I am a chairman of that committee. I know not only for the honor and the recognition that should be given to James Madison in preserving his papers as well as those of other Presidents who followed him, and at the same time preserving the vast amount of material the Library of Congress now has.

I appreciate the remarks of the Senators.

FOREIGN ASSISTANCE APPROPRIATION BILL, 1966—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of September 30, 1965, pp. 24738-24739, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PASTORE. Mr. President, on the question on the adoption of the conference report, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. Is the question subject to debate?

The PRESIDING OFFICER. The Chair advises the Senator from Oregon that it is open to debate.

Mr. MORSE. I shall speak briefly. I desire the Senator from Rhode Island to know that my request that the matter go over until today, when consideration of the conference report was asked for yesterday, in no way involved a lack to cooperate with the Senator from Rhode Island. I was advised that the probabilities were strong that no quorum would be present yesterday. The senior Senator from Oregon sought only to have a yeas-and-nay vote on the question, for I would never want a foreign aid bill to go through the Senate on a voice vote if I could succeed in getting a yeas-and-nay vote. I want every Senator always to have the opportunity to go on record

by vote in support of or in opposition to the foreign aid bill.

I have no intention at this hour to reiterate my many reasons for opposing the foreign aid bill in its present form. The Senate is quite familiar with my long list of objections to foreign aid as it is now administered and conducted. The Senate knows that I consider the foreign aid bill to be honeycombed with the waste of hundreds of millions of dollars, gross inefficiency, and shocking maladministration in some underdeveloped areas of the world because of a considerable amount of corruption.

It is the conviction of the senior Senator from Oregon that foreign aid as it is administered in some parts of the world is of great assistance to the Communists. Instead of thwarting communism, which the senior Senator from Oregon seeks to do, foreign aid in its present form is aiding the cause of communism in some parts of the world. Many examples of that could be cited, and I have cited them ad infinitum in many speeches I have made in the Senate. I only mention in passing the military aid support that our foreign aid bill gives to the shocking totalitarian regimes and military juntas in many parts of the world. By and large, military aid to military dictatorships, military oligarchies, and military juntas helps Communists. It does not help freedom-loving people in countries which need to be brought over to the side of freedom.

Mr. President, I ask unanimous consent to have printed in the RECORD the latest poll, which appeared in the Washington Post of October 4, showing the position of the American public in regard to foreign aid.

There being no objection, the poll was ordered to be printed in the RECORD, as

THE HARRIS SURVEY: 65 PERCENT APPROVE THE JOB L.B.J. DOES AS PRESIDENT

(By Louis Harris)

Nearly 9 out of 10 Americans admire President Johnson as a man who gets things done. As a consequence it comes as no surprise that throughout 1965 more than 65 percent of the public have approved of the job he has done as President.

What is more, Mr. Johnson continues to demonstrate an ability to provide something for nearly everybody.

For example, medical care for the aged is approved by 80 percent of the general public and by 86 percent of the retired people, who will benefit most immediately. Federal aid to education is supported by 78 percent of all the people, and by an even higher 87 percent by parents of schoolchildren.

Mr. Johnson's efforts to work for peace are rated positively by 73 percent of the public as a whole, and by 77 percent of families with young men of draft age. The anti-poverty program is approved by 60 percent of the Nation, and by 68 percent of those earning \$5,000 or less a year. The President's handling of civil rights meets with approval from 60 percent of the public, and rises to 78 percent support among Negroes.

SOFT SPOTS

The Johnson record, however, is not without its soft spots, any one of which could erode the President's presently strong political position.

Most serious for him is the almost 3 to 1 disapproval that people have of the way he has handled the cost of living. The 44 percent of the public who thought he was doing a good job of keeping prices down last

March had shrunk to 28 percent by late September.

Mr. Johnson also appears to be heading for trouble in the area of spending. Last March, 54 percent gave him favorable marks for keeping spending under control. Today, this figure has slipped eight points to less than a majority.

The President continues to be criticized for his handling of the Bobby Baker case, an issue in the 1964 campaign, and approval of his handling of corruption in Government is expressed by only 43 percent of the public.

Perhaps no issue illustrates the consequence of a President pursuing a policy of meeting head-on the public demand of "what have you done for me lately?" better than tax cuts. Around the time that excise taxes were cut earlier this year, Mr. Johnson was heralded by 61 percent for his efforts to keep taxes down. Now, as time dims the memory, approval has fallen off to 56 percent on this score.

CRITICAL ON AID

As serious as any category for the President to be concerned about is that of keeping America out of war, a new entry since the escalation of the war in Vietnam. While 55 percent approve of his efforts to avoid war, 45 percent are critical.

The issue of foreign aid, which has plagued both of his predecessors, finds Mr. Johnson no exception. By 52-48 percent, the public disapproves of the job the President has done there.

By and large, however, the spate of legislation passed by Congress and the President's specific policies in foreign affairs—such as his moves in Vietnam and the Dominican Republic—have met with solid public approval. (See table.)

Given such a solid issue-by-issue underpinning, Mr. Johnson's overall rating has remained high throughout 1965:

OVERALL L.B.J. RATING

[In percent]

| | Positive | Negative |
|----------------|----------|----------|
| September..... | 67 | 33 |
| August..... | 69 | 31 |
| July..... | 69 | 31 |
| May..... | 65 | 35 |
| March..... | 66 | 34 |
| January..... | 68 | 32 |

SPECIFIC L.B.J. JOB RATINGS

A cross-section of the public was asked: "How would you rate the job President Johnson has done on (handling medical care for the aged, etc.): Excellent, pretty good, only fair, or poor?"

| | Good-excellent | | |
|-------------------------------------------|----------------|---------|---------|
| | Sep-tember | March | Shift |
| | Percent | Percent | Percent |
| Working for medicare for aged..... | 80 | 70 | +10 |
| Keeping military defense strong..... | 78 | 69 | +9 |
| Providing Federal aid to education..... | 78 | 71 | +7 |
| Working for peace in the world..... | 73 | 73 | None |
| Keeping economy healthy..... | 69 | 70 | -1 |
| Providing leadership to free world..... | 68 | 62 | +6 |
| Handling Russia..... | 68 | 65 | +3 |
| Handling Dominican crisis..... | 65 | 64 | +1 |
| Handling Vietnam war..... | 65 | 39 | +26 |
| Appointments to high office..... | 64 | 66 | -2 |
| Handling Red China..... | 60 | 52 | +8 |
| Antipoverty program..... | 60 | 63 | -3 |
| Handling civil rights, race problems..... | 60 | 60 | None |
| Handling Castro and Cuba..... | 58 | 49 | +9 |
| Cutting taxes..... | 58 | 61 | -5 |
| Keeping America out of war..... | 56 | | |
| Handling foreign aid..... | 48 | 48 | None |
| Keeping spending under control..... | 46 | 54 | -8 |
| Keeping corruption out of Government..... | 43 | 44 | -1 |
| Keeping cost of living down..... | 28 | 44 | -16 |

25098

CONGRESSIONAL RECORD — SENATE

October 5, 1965

Mr. MORSE. Mr. President, every once in a while some Senators tell me that I am far out of step in this matter. It is no new walking experience for me to be out of step. I recommend it to Senators. They will not lose their balance by being out of step. One would be surprised at how many will skip a step now and then to get in step with him, once they see the goal he is headed for and the public interest of that goal.

Be that as it may, this poll is a complete rebuttal of the view of those who think the senior Senator from Oregon is out of step on foreign aid. It states that by a margin of 52 to 48 the American people oppose the President's work on foreign aid. The margin was the same in March. The column reports that by a margin of 52 to 48 percent, the public disapproves of the job the President has done there, though it does not report the views of the public on foreign aid as such. As the American people come to understand the startling findings of the Comptroller General of the United States, as set forth in the many reports he has submitted to Congress, many, unfortunately, being marked "Top secret," but bearing out the opposition of the senior Senator

from Oregon to foreign aid, the American public will make clear to Congress and the administration in the next year or two that they had better reform foreign aid.

It is because of the record I have made that I have asked for a yea-and-nay vote. I shall vote against the conference report; but in doing so, I say that I have nothing but admiration for the work of the distinguished senior Senator from Rhode Island [Mr. PASTORE] as chairman of the Senate conferees. He had a job to do; and when one is chairman of Senate conferees, one has a clear responsibility to carry out the instructions of a majority of the Senate.

Although the Senator from Rhode Island and I differ on the substantive merits of foreign aid legislation, that does not cause me to hesitate the slightest in commending him for fulfilling his functions as chairman. I only hope that eventually he will come to share more of my point of view concerning an aid program that I consider shocking and is not in the best interests of my country.

Mr. PASTORE. Mr. President, I shall make a short statement, before the vote is taken, to explain the action of the conferees. Before doing so, inasmuch as

bouquets are being passed around, I congratulate and compliment the Senator from Oregon for his subtle and beautiful metaphor.

For title I of the bill, the mutual defense and development title, the House recommended appropriations in the amount of \$3,285 million. The Senate reduced this figure by \$142 million. The conference committee has agreed to restore \$75 million of the Senate reduction and recommends an appropriation of \$3,218 million. The \$75 million increase over the Senate bill provides an additional \$20 million for technical cooperation and development grants; an additional \$10 million for international organizations; an additional \$20 million for supporting assistance and an additional \$25 million for general development loans.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a tabulation which gives the budget estimates, the House and Senate figures and the amounts agreed to in conference for each line item in the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations for 1965, and estimates and amounts recommended in bill for 1966

TITLE I—FOREIGN ASSISTANCE

| Item | Appropriations, 1965 | Budget estimates, 1966 (amended) | House allowance | Senate allowance | Conference allowance |
|---------------------------------------------------|----------------------|----------------------------------|-----------------|------------------|----------------------|
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| MUTUAL DEFENSE AND DEVELOPMENT | | | | | |
| ECONOMIC ASSISTANCE | | | | | |
| Technical cooperation and development grants..... | \$202,073,900 | \$219,000,000 | \$202,355,000 | \$182,355,000 | \$202,355,000 |
| American schools and hospitals abroad..... | 16,807,000 | 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 |
| Surveys of investment opportunities..... | 1,807,000 | | | | |
| International organizations and programs..... | 134,272,400 | 145,555,000 | 144,755,000 | 134,755,000 | 144,755,000 |
| Supporting assistance..... | 401,007,000 | 449,200,000 | 369,200,000 | 349,200,000 | 369,200,000 |
| Contingency fund, general..... | 99,207,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Contingency fund, Southeast Asia..... | | 89,000,000 | 89,000,000 | 89,000,000 | 89,000,000 |
| Alliance for Progress: | | | | | |
| Technical cooperation and development grants..... | 84,703,000 | 85,000,000 | 75,000,000 | 75,000,000 | 75,000,000 |
| Development loans..... | 425,000,000 | 496,125,000 | 445,125,000 | 435,125,000 | 435,125,000 |
| Development loans..... | 773,777,000 | 780,250,000 | 675,225,000 | 593,225,000 | 618,225,000 |
| Administrative expenses, AID..... | 68,000,000 | 55,240,000 | 54,240,000 | 54,240,000 | 54,240,000 |
| Administrative expenses, State..... | 3,000,100 | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 |
| Subtotal, economic assistance..... | 2,195,049,000 | 2,289,470,000 | 2,115,000,000 | 1,973,000,000 | 2,048,000,000 |
| MILITARY ASSISTANCE | | | | | |
| Military assistance..... | 1,055,000,000 | 1,170,000,000 | 1,170,000,000 | 1,170,000,000 | 1,170,000,000 |
| Limitation on administrative expenses..... | (84,000,000) | (83,600,000) | (83,600,000) | (83,600,000) | (83,600,000) |
| Total, title I, foreign assistance..... | 3,266,049,000 | 3,469,470,000 | 3,285,000,000 | 3,143,000,000 | 3,218,000,000 |

TITLE II—FOREIGN ASSISTANCE (OTHER)

| | | | | | |
|----------------------------------------------------------------|--------------|---------------|---------------|---------------|---------------|
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Peace Corps..... | \$87,130,000 | \$115,000,000 | \$102,000,000 | \$102,000,000 | \$102,000,000 |
| Limitation on administrative expenses..... | (23,738,000) | (24,100,000) | (24,100,000) | (24,100,000) | (24,100,000) |
| DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS | | | | | |
| Ryukyu Islands, Army, administration..... | 14,441,000 | 14,733,000 | 14,733,000 | 14,733,000 | 14,733,000 |
| DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE | | | | | |
| Assistance to refugees in the United States..... | 32,111,000 | 32,265,000 | 32,265,000 | 30,000,000 | 30,000,000 |
| DEPARTMENT OF STATE | | | | | |
| Migration and refugee assistance..... | 3,100,000 | 7,575,000 | 7,575,000 | 7,575,000 | 7,575,000 |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Investment in Inter-American Development Bank..... | 455,180,000 | 455,880,000 | 455,880,000 | 455,880,000 | 455,880,000 |
| Subscription to the International Development Association..... | 61,000,000 | 104,000,000 | 104,000,000 | 104,000,000 | 104,000,000 |
| Total, title II, foreign assistance (other)..... | 659,880,000 | 720,453,000 | 716,453,000 | 714,188,000 | 714,188,000 |

Footnotes at end of table.

October 5, 1965

CONGRESSIONAL RECORD — SENATE

25099

Comparative statement of appropriations for 1965, and estimates and amounts recommended in bill for 1966—Continued

TITLE III—EXPORT-IMPORT BANK OF WASHINGTON

| Item | Appropriations, 1965 | Budget estimates, 1966 (amended) | House allowance | Senate allowance | Conference allowance |
|--------------------------------------------|-------------------------|----------------------------------------|--------------------|---------------------|-------------------------|
| Limitation on operating expenses..... | (\$1,350,000,000) | (\$1,186,120,000) | (\$1,186,120,000) | (\$1,186,120,000) | (\$1,186,120,000) |
| Limitation on administrative expenses..... | (3,915,000) | (4,052,000) | (4,052,000) | (4,052,000) | (4,052,000) |
| Total, title III, Export-Import Bank | (1,353,915,000) | (1,190,172,000) | (1,190,172,000) | (1,190,172,000) | (1,190,172,000) |
| Grand total, all titles..... | 3,909,488,000 | 4,188,923,000 | 4,001,453,000 | 3,857,188,000 | 3,932,188,000 |

¹ Includes \$9,000,000 for "Supporting assistance" for southeast Asia.² Includes \$80,000,000 for "Supporting assistance" for southeast Asia.³ Includes \$1,190,000 for unobligated funds remaining available on June 30, 1965.

Mr. PASTORE. Mr. President, in short, the Senate reduced the House amount by \$142 million. In conference, \$75 million was restored, which means that the conference report is \$75 million above the Senate figure and \$67 million below the House figure.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from Florida.

Mr. HOLLAND. I have had the responsibility for some time to serve as one of the Senate conferees on the foreign aid appropriations bill. The distinguished Senator from Rhode Island had a unique experience as well as a unique responsibility this year, because this is the first time, at least during my service in the Senate, when the Senate figure has been below the House figure for the foreign aid appropriation bill.

I want the RECORD to show that the Senator from Rhode Island carried that responsibility in magnificent fashion. My own feeling was that the substantial compromise that was effected was a sound one and that the additions that were made, even though we regretted them because the Senate itself had not made them, were in fields which were much better understood as requiring additions than other fields in which the Senate position was maintained and recognized in conference.

Mr. PASTORE. Mr. President, the senior Senator from Florida [Mr. HOLLAND] was a bulwark of strength, not only during the progress of the hearings in which we were formulating the final figures which have come before the Senate, but also during the conference.

Mr. HOLLAND. Mr. President, I thank my friend the senior Senator from Rhode Island.

This is a rather disturbing job always, but I have felt for a long time that, in a world that is so disturbed, and with the advice of all our Presidents of recent years, of both parties, the advice of our joint chiefs of staff, the advice of our Secretaries of State, and all who know most about foreign affairs being so strongly in support of many of the items in the foreign aid bill, most of us required to vote should realize that there must be strength to their joint recommendations. When they tell us that these dollars go further in defending our own security than perhaps even dollars spent for our own military security, we are obligated to accept that joint and uniform recommendation as having great value.

Mr. President, I was very much disturbed when I learned during the course of the conference on the foreign assistance bill that the malaria eradication program for fiscal year 1965 was cut back by the administration to the tune of approximately \$6 million. I immediately inquired as to why funds appropriated by Congress were withheld from this most important program.

I do not believe that there is any part of foreign aid which is more intimately helpful to many of our friends in Latin America than the malarial control program. I have long been interested in it and in its continued existence in the serving of the very precious cause which it serves.

I was happy to learn that the program was not cut back by \$6 million but, as a matter of fact, that \$6,190,000 of the 1965 program had been deferred until fiscal year 1966. In other words, it had not been spent during fiscal year 1965.

For fiscal year 1965, a malaria eradication program totaling \$25,609,000 was initially contemplated. Of this sum, \$14,790,000 was to be funded out of the Development Loan Fund and \$10,819,000 was to be funded from the technical co-operation and development grant account.

Of the development loan funding provided in fiscal year 1965, a total of \$6,190,000 was to be loaned to four countries in Central America—namely, El Salvador, Guatemala, Honduras, and Nicaragua—after each country had completed its plan for eradication. Unfortunately, the plans for all four countries had not been completed in fiscal year 1965; thus, loans totaling \$6,190,000 were withheld pending completion of each country's plan.

I understand that all plans have now been completed, and that the \$6,190,000 which was supposed to be loaned in fiscal year 1965 will now be loaned in fiscal year 1966. In fact, I have been informed that this sum will probably be obligated during the next few weeks in the four Central American countries previously named—countries which are our close neighbors and good friends.

This means, Mr. President, that the malaria eradication program initially contemplated and justified to Congress for fiscal year 1966, totaling \$19,105,000, will now be increased by \$6,190,000 to \$25,295,000—the full amount of the program.

The malaria eradication program is perhaps one of the most important programs funded in the foreign assistance

bill, and in the past Congress has repeatedly made this fact known by including language in the reports of either the Senate or the committee of conference that the full budget estimate for the malaria eradication program is hereby made available.

The fact that report language has not been included this year should not be construed as a lack of interest on the part of the Congress in the malaria eradication program. On the contrary, I believe that Congress considers the malaria eradication program to be most important, a fact to which the distinguished senior Senator from Rhode Island [Mr. PASTORE] will, I am sure, also attest.

Mr. President, I feel confident that I speak for everyone in the Senate in admonishing the administration to carry out in fiscal year 1966 the full budget estimate for malaria eradication, plus the \$6,190,000 that was deferred in the fiscal year 1965 program.

Mr. PASTORE. Mr. President, I concur wholeheartedly with my distinguished colleague the senior Senator from Florida.

I have known of the interest of the Senator in the malaria eradication program, especially in Central America. It is my understanding, as it is his, that the carryover, which was not committed last year because the plans were not completed, will be spent in 1966, together with what has been allotted for 1966.

Mr. HOLLAND. Mr. President, I thank the distinguished chairman for corroborating, as I knew he would, the importance of this program and the commitment which Congress makes at this time.

I thank the Senator again for his leadership throughout the consideration of this bill, as well as for the gracious words spoken by him relative to the Senator from Florida.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. METCALF], the Senator

from Oklahoma [Mr. MONRONEY], the Senator from New Mexico [Mr. MONTOYA], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PELL], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Carolina [Mr. RUSSELL], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Idaho [Mr. CHURCH], the Senator from New York [Mr. KENNEDY], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PELL], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Ohio [Mr. YOUNG], and the Senator from Michigan [Mr. HART] would each vote "yea."

On this vote, the Senator from Maryland [Mr. BREWSTER] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Virginia would vote "nay."

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. Aiken] is absent on official business.

The Senator from New Jersey [Mr. CASE], the Senator from New York [Mr. JAVITS], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate as delegates to attend the NATO Parliamentary Conference in New York City.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kentucky [Mr. COOPER], the Senator from Colorado [Mr. DOMINICK], the Senator from Iowa [Mr. MILLER], the Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. PEARSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Hawaii [Mr. FONG] is detained on official business.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from New York [Mr. JAVITS], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

On this vote the Senator from Kentucky [Mr. COOPER] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Iowa would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from New Jersey [Mr. CASE] is paired with the Senator from South Dakota [Mr. MUNDT]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from South Dakota would vote "nay."

On this vote, the Senator from Hawaii [Mr. FONG] is paired with the Senator from Kansas [Mr. PEARSON]. If present and voting, the Senator from Hawaii would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 40, nays 23, as follows:

[No. 279 Leg.]

YEAS—40

| | | |
|--------------|----------------|------------|
| Allott | Hill | Muskie |
| Bartlett | Holland | Nelson |
| Bass | Inouye | Pastore |
| Boggs | Jackson | Proxmire |
| Burdick | Kennedy, Mass. | Randolph |
| Byrd, W. Va. | Kuchel | Ribicoff |
| Carlson | Long, La. | Smathers |
| Clark | Magnuson | Smith |
| Dirksen | Manfield | Sparkman |
| Dodd | McGee | Tydings |
| Douglas | McGovern | Yarborough |
| Gruening | McIntyre | |
| Hartke | McNamara | |
| Hickenlooper | Mondale | |

NAYS—23

| | | |
|-----------|---------------|----------------|
| Bennett | Harris | Russell, Ga. |
| Bible | Hruska | Simpson |
| Cotton | Jordan, N.C. | Stennis |
| Eastland | Jordan, Idaho | Talmadge |
| Ellender | McClellan | Thurmond |
| Ervin | Morse | Williams, Del. |
| Fannin | Morton | Young, N. Dak. |
| Fulbright | Robertson | |

NOT VOTING—37

| | | |
|-----------|---------------|----------------|
| Aiken | Hart | Murphy |
| Anderson | Hayden | Neuberger |
| Bayh | Javits | Pearson |
| Brewster | Kennedy, N.Y. | Pell |
| Byrd, Va. | Lausche | Russell, S.C. |
| Cannon | Long, Mo. | Saltonstall |
| Care | McCarthy | Scott |
| Church | Metcalf | Symington |
| Cooper | Miller | Tower |
| Curtis | Monroney | Williams, N.J. |
| Domink | Montoya | Young, Ohio |
| Fong | Moss | |
| Gore | Mundt | |

So the conference report was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10371, which was read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 10 and 11 to the bill (H.R. 10871) entitled "An Act making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes", and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following:

"Sec. 116. No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this Act unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

Mr. PASTORE. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate No. 9.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the Record an explanation of the motion that was just agreed to by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The explanation is as follows:

The language agreed to in conference on amendment No. 9 in lieu of the Senate language reads as follows:

"No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this act unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress."

In addition the reference to North Vietnam in amendment No. 7 has been deleted, and the reference to North Vietnam in No. 8 has been retained.

The effect of the revised language is to allow the President discretion should he determine that the withholding of assistance would be contrary to the national interest of the United States.

Mr. FONG subsequently said: Mr. President, I wish the Record to show that I arrived about 2 minutes late for the rollcall on the foreign aid appropriation conference report. Had I been present, I would have voted for the report.

I had inquired as to whether there would be a vote, and was told there would be none, so I left the building. Upon being notified that there was a vote, I came directly to the floor, but I was 2 minutes late.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

REPEAL OF SECTION 14(b) OF THE NATIONAL LABOR RELATIONS ACT, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD] to proceed to the consideration of H.R. 77, to repeal section 14(b) of the National Labor Relations Act, as amended.

Mr. MANSFIELD. Mr. President, on October 1, I sent the following telegram to all Democratic Senators:

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essential Federal investment, has now started construction of a tourism and recreational complex that will be unsurpassed on the east coast of the United States—and will afford relaxation and unequalled beauty to all of America.

Therefore, Mr. Speaker, I respectfully enclose for the attention of the Members of the House the excellent editorial of October 2, which appeared in the Washington Daily News:

SPEAK UP FOR BEAUTY

Now is the time for nature lovers, in this city and elsewhere, to come to the aid of President Johnson's embattled highway beautification bill.

The measure already has passed the Senate. But it faces stiff opposition in the House, where it will come up within a few days.

Lobbyists for the billboard and junkyard interests have been hard at work on House Members. They have produced all sorts of arguments that highway beauty would "cost too much" or "interfere with private rights"—by which they mean the right to disfigure roadways paid for by the public.

There is danger that this worthwhile program could be defeated—unless the voters who want a beautiful as well as prosperous America speak up.

The bill which the House will consider is not as strong as it should have been, in our opinion. Nevertheless, it provides controls over unsightly billboards and removal or screening of auto graveyards and other ugly areas.

If you would rather look at trees and green hillsides than detergent ads while you're driving * * * if you'd rather not be confronted with thousands of rusting auto carcasses * * * if you want your children to have a heritage of beauty * * * get busy and do something about it.

A letter, a wire, a phone call to your Congressman will help let him know that for every lobbyist interested in blocking this legislation, there are hundreds of voters who want it.

But don't put it off. After the House makes its decision, whatever you say will be too late.

Bill
Foreign Assistance Appropriations for
1966

EXTENSION OF REMARKS
OF

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 5, 1965

Mr. MAHON. Mr. Speaker, under leave granted by the House earlier today, I include below the full corrected text of my closing remarks, which appear in the Record of last Friday, October 1, 1965, at pages 24852-24853, in support of the conference agreement on the foreign assistance appropriation bill. In readying the copy for the typesetter, several consecutive paragraphs apparently got printed out of order and one quotation from the law of several which I gave got substituted for another.

The version which follows is as submitted to the printer Friday night:

Mr. PASSMAN. Mr. Speaker, I yield the balance of the time on the conference report to the very distinguished, able and sincere chairman of the Committee

on Appropriations, the gentleman from Texas [Mr. MAHON].

The SPEAKER. The gentleman from Texas [Mr. MAHON] is recognized for 5 minutes.

Mr. MAHON. Mr. Speaker, I want to thank the gentleman from Louisiana [Mr. PASSMAN] for yielding to me the remaining 5 minutes.

Mr. Speaker, I rise to support the position which the gentleman from Louisiana has just taken in regard to the pending conference report and the position which he has just taken against the forthcoming motion to recommit the bill.

This bill has in it some \$670 million, plus, for southeast Asia. Much of it is to equip South Vietnamese soldiers—to equip them and to feed them and to help them fight the battles and share the sacrifices in this war for freedom in South Vietnam. I support this contribution to encourage the South Vietnamese to share in the cost, and in the fighting, and in the dying in South Vietnam.

Some seem to be troubled by the fact that the restrictive language provisions in the bill and the conference report with respect to Cuba and with respect to North Vietnam are a bit different. The present restrictive language with respect to Cuba came about principally in 1962. Many countries were trading with Cuba at that time. Over a period of weeks and months our Government was able to shut off free world shipping to Cuba by countries which were receiving our aid. But it took some time. As the gentleman from New York has said, we are now making progress in shutting off all free world shipping to North Vietnam. Our objective, of course, is to shut off all free world shipping to North Vietnam; but this is not something that the President feels can be done immediately or overnight, especially in view of the situation in Greece. A number of Greek ships are involved. It is taking time. We all favor taking every appropriate step toward the elimination of all free world shipping to North Vietnam. This is certainly my position and my objective in supporting the conference agreement.

In this bill, which the gentleman from Louisiana [Mr. PASSMAN] is asking you to vote for—and which I hope you will support—we have forbidden aid to any country which provides, sells, or ships in its vessels material to North Vietnam. We forbid it. We then propose to add the proviso—

Unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress.

In other words, we are trusting the President as Commander in Chief of the Armed Forces; we are trusting him as our spokesman in foreign policy, just as we have always trusted our Presidents in foreign policy matters. My point is, Why not trust him who is in command of our Armed Forces in South Vietnam in this matter of shipping and working out these arrangements which are well underway and which have been quite successful in part thus far? Why not con-

tinue to trust him in this matter? We trust him with many vital national matters affecting our freedom, our security, our lives. We trust him with his finger on the trigger of the atomic bomb. Under our system the President is automatically charged with many awesome responsibilities.

A vote otherwise could in my judgment be interpreted as a vote of no confidence in the President in this matter. This is certainly not the desire of any Members of the House on either side of the aisle.

Mr. Speaker, in elaboration, may I say that the casual reader of this Record or those not acquainted with the details of the various provisions of the bill might gather that this conference agreement with respect to modification of the North Vietnam restriction represented a radical departure from precedent or practice. On the contrary, Mr. Speaker, Congress has repeatedly recognized the need for Presidential discretion in highly sensitive situations where national security is involved. Cutting off shipping to North Vietnam is not the only question at stake; as indicated earlier, important relationships with NATO allies vital to our security might well be adversely affected if in our well-intentioned desire to hamstring North Vietnam in every way possible we should unwisely tie our President's hands. That is what we have tried to avoid, and that is our aim in this conference agreement to which some objection has been voiced.

But more specifically, Mr. Speaker, the whole of the truth about the pending provision is this: The only real difference—the only difference of substance—between the original House passed version and the conference version is that the conference version permits the Presidential discretion which I mentioned. That is the only difference. And there is nothing new or radical about that.

Elsewhere in the pending bill, in amendment No. 10, we prohibit assistance to Nasser's United Arab Republic unless—and I am reading from the bill itself—

Unless the President determines that such availability is essential to the national interest of the United States.

Elsewhere in the bill, in amendment 11, we prohibit assistance to Sukarno's Indonesia unless—and I am reading from the bill itself—

Unless the President determines that such availability is essential to the national interest of the United States.

Furthermore, Congress did a similar thing earlier this session with respect to Nasser and the United Arab Republic when we had up the Commodity Credit Corporation supplemental appropriation in January. In that instance, we prohibited the use of any funds to export any of our agricultural commodities to the United Arab Republic except—and this is the point—except when—and I quote from the law—

Except when the President determines that the financing of such exports is in the national interest.

Furthermore, Mr. Speaker, for the sake of emphasis, I must repeat something

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others have said, because it is pertinent and it is important to an evaluation of the question: The conference agreement against North Vietnam shipping is stronger—much stronger—than what Congress adopted only a few weeks ago in the foreign aid authorization bill. And the conference prohibition is also much stronger than the Senate amendment 9 which it replaces.

Both the authorization bill and the Senate amendment in the pending bill merely constituted expressions of the sense of Congress about cutting off aid under the given circumstances. But the conference agreement is a mandatory provision—not merely an expression of a view. And the conference agreement is as strict, as strong, and as prohibitive as the original House restrictions in this appropriation bill with the single and sole exception of the Presidential discretion provision, which reads—

Unless the President determines that the withholding of such assistance would be contrary to the national interest of the United States and reports such determination to the Congress.

During President Eisenhower's administration, discretionary language was likewise adopted by Congress in dealing with sensitive international situations in Yugoslavia. There are other examples. This policy grows out of a realization of the fact that often there are unpredictable changes in world trouble spots which require flexibility of action by the President if he is to serve the best interest of the United States.

So, Mr. Speaker, I hope the coming motion to recommit the conference report will fail, and that we retain in the bill language forbidding shipments to North Vietnam except in certain instances and circumstances in which the President determines—as he must under the conference bill—that it is in the national interest to do otherwise and notifies the Congress to that effect.

Mr. CHAMBERLAIN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CHAMBERLAIN. I wonder if the distinguished chairman of the committee could give us an example of a case in which the President of the United States might determine that it was in the national interest of our country to permit free world ships to carry military hardware to North Vietnam?

Mr. MAHON. The President does not favor the carrying of military hardware to North Vietnam.

Mr. CHAMBERLAIN. That is the discretion we are giving him, is it not?

Mr. MAHON. I believe he needs the discretion which is in the pending bill in working with certain of our NATO allies until this matter can be handled in such a way as to enhance the stature of the United States in the NATO countries and also take care of our interests in southeast Asia. It seems to me that this is certainly a very wise position for us to take at this time under the circumstances.

Mr. PASSMAN. The President would never permit such a thing to happen if it was within his power to prevent it.

Tyranny of the Majority in United States

EXTENSION OF REMARKS

OF

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 5, 1965

Mr. EDWARDS of California. Mr. Speaker, I would like to insert in the Record this excellent column by Marquis Childs which appeared in the September 27, 1965, Washington Post.

Mr. Childs must be commended for reminding us of the potential pitfalls of the concept of consensus and of the importance of the corollary principles to majority rule, the freedom of speech and press. I urge my colleagues to read carefully Mr. Childs' remarks:

TYRANNY OF THE MAJORITY IN THE UNITED STATES

(By Marquis Childs)

The Johnson consensus is so powerful that large areas of policy—normally in past years a subject for debate—are now off limits. The zeal of a majority President, who by temperament and conviction draws the line against dissenters, underscores the fears of a time of troubles when revolutionary regimes threaten all order and stability.

Add to this an expanding Federal Government dispensing money in old ways—the House just passed a \$1.7 billion pork barrel rivers and harbors bill—and new ways such as huge defense and research contracts. The sum total in the view of pessimistic observers is a new America with little resemblance to the give-and-take democracy of the past.

A case in point is what happened to Chairman J. WILLIAM FULBRIGHT of the Senate Foreign Relations Committee. Waiting until after a provisional government had been established in the Dominican Republic, Fulbright in a Senate speech delivered a carefully reasoned criticism of how the Dominican crisis had been handled. This was based on an inquiry before the Foreign Relations Committee with 13 sessions at which all the principals testified.

Immediately the full force of administration spokesmen big and little was leveled against him. The voices turned up high did not so much seek to refute the criticism as to discredit the critic. At the lowest level, as represented by Senator RUSSELL LONG, of Louisiana, the majority whip, the suggestion was that if you didn't believe Communists were about to take over in the Dominican Republic then you must have more sympathy for communism than you know.

On careful rereading of the Fulbright speech it is hard to discover why the reaction was as though it had been an offense against majesty. He was saying that aspects of America's policy in the Dominican Republic compounded these faults. The example of a Senator soundly berated for faulting the administration raises a troubling question: Is any dialog at all possible on the great issues of foreign policy?

To put it another way: Must the power of the Executive be so absolute in view of the threat to America's security that critics should keep silent? An American war in Vietnam is rapidly expanding with reports of 200,000 troops to be committed by the year's end and yet scarcely a doubt is expressed publicly over the authority of the Commander in Chief to direct a declared war.

Granted the stakes are awesome and the power of the Executive great in conducting policy with proper secrecy as in the India-

Pakistan crisis. Granted, too, that nothing succeeds like the Johnson successes.

Nevertheless, the domination of the majority is so all-encompassing that a fundamental distortion of the American system seems for the time being at least to have resulted. More than a century ago Alexis de Tocqueville, one of the most searching and at the same time sympathetic foreign critics, wrote in his "Democracy in America" of the danger of the tyranny of the majority. Of the tyranny this French aristocrat considered the main evil of democratic institutions he wrote:

"The smallest reproach irritates its sensibility and the slightest joke that has any foundation in truth renders it indignant; from the forms of its language up to the solid virtues of its character, everything must be made the subject of encomium. No writer, whatever be his eminence, can escape paying this tribute of adulation to his fellow citizens."

De Tocqueville was writing of the majority itself but his words today might be applied to the master of the majority.

"I know of no country," de Tocqueville wrote, "in which there is so little independence of mind and real freedom of discussion as in America. Profound changes have occurred since democracy in America first appeared and yet it may be asked whether recognition of the right of dissent has gained substantially in practice as well as in theory."

Senator FULBRIGHT discovered in 1957 what it meant to go against the majority. He opposed the Eisenhower-Dulles doctrine embodied in a resolution giving the President power to use "the Armed Forces of the United States as he deems necessary" in the Middle East and to spend \$200 million as he saw fit without congressional restrictions. The Senate majority leader then was Lyndon B. Johnson. He urged FULBRIGHT to back Eisenhower as he himself had.

Johnson has triple-starred consensus in the political lexicon. But, defined as "tyranny of the majority," consensus has another look.

Conservation

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 5, 1965

Mr. FALLON. Mr. Speaker, the Baltimore Sun yesterday morning carried a fine editorial calling for the enactment at this session of the highway beautification bill.

The Sun's editorial rightly says that this modest bill makes good sense as a conservation measure—"to conserve and make available for future generations part of the natural beauty of America's countryside."

Conservatives and liberals—

The Sun writes—

Democrats and Republicans have long supported conservation of our resources as a policy, but the record shows that this is something which must be fought for and something which can be won by persistent effort.

Mr. Speaker, we should make that effort now, this week. Let us not take the priceless asset of America's beauty for granted. Let us act to preserve it as a